Merry Christmas

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XX. 10c. a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, DECEMBER 24, 1926 Member of Audit Bureau of Circulations No. 52

The Nation's Business

- **Falconer Enlightens Americans on Formula**
- **Student Propaganda**
- **The Youth Movement**
- **Railway Rates in Political Danger**
- **West Indies Boats**

SIR ROBERT FALCONER, president of the University of Toronto, has been to New York to enlighten the Americans on what the Imperial Conference has done for and to us. The Globe, Toronto, takes him to task and questions the good taste of a man, in his public position, discussing our delicate domestic affairs with foreigners, who are also our chief rivals. The Globe also points out that he misrepresented the facts. The latter was, of course, not intended but was due to his outburst of enthusiasm.

Sir Robert, because of his high character and standing and the position which he fills as head of the largest university in Canada, has become almost a sacred institution and it has required a great deal of courage on the part of the Globe to raise any doubts as to the wisdom of his policy.

Some allowance should be made because of the enthusiam with which Sir Robert and other intellectuals have seized upon "the formula," as it is now being called, hatched out at the Imperial Conference, prematurely laid it is true. No two of those who took part agree as to its meaning. To the intellectuals and college debaters it has been like a stick of candy to a child, but it is extraordinary that no other class, outside of a few editors, has taken any interest in it. We cannot recall hearing or seeing one word from any persons of importance in any other class throughout Canada, over the emancipation of Canada which Sir Robert regards as such a sweet morsel. Even a wild Irish leader like Hon. Charlie Murphy sees nothing in it worthy of notice. Bourassa, the Nationalist, too, is silent. Even Labor leaders see *nothing* in it to attract attention. No great lawyer, no great farmer, no great business leader, no great financier, has had anything to say; has thought it worth while noticing. But business men, farmers, manufacturers and all others interested in th development of Canadian trade and Empire trade are expressing themselves strongly over the failure of the conference to take any steps to improve economic conditions for the extension of trade within the Empire.

THE trouble with Sir Robert Falconer and men of his type is that they live on an upper plane. They are so out of touch with every-day conditions that they have lost their sense of proportion. Far more important than explaining our Imperial domestic affairs to our good friends but chief rivals, the Americans, is explaining and interpreting to the students of the University of Toronto the place of the French-Canadians in Canada and the Empire; how they have saved Canada and will continue to save it for the empire; what industrious, law-abiding, delightful, home-loving loyal people they are; how different they are from the French in France; how to-day thousands of French-speaking families are racially more Highland-Scotch than French; what good customers they are for Ontario manufacturers; what splendid pioneers they are for our northern saw and pulp mills, and settlers for the farms they are clearing when the mills take off the forest.

Such things are important and yet we have had just the opposite from Sir Robert's colleagues. It is going to take the people of Quebec a long time to forget that when at their invitation leaders of both provinces assembled in Quebec to overcome prejudices, and to organize for the promotion of better understandings so that the citizens of Ontario and Quebec should work together for the national good, the effort was killed because Sir Robert Falconer's senior students at the University of Toronto staged a debate, "Resolved that French-Canadians are a menace to Canada," and saw that the story of that debate was broadcast throughout Quebec. The people of Quebec did expect, when their prime minister, Mr. Taschereau, drew attention to this occurrence in the Ontario State University, some amends might be made, some official explanation be forthcoming. None came and the inference was left in their minds that antagonism to French-Canadians is being encouraged in the Ontario state university.

THAT story still rankles throughout Quebec. It handicaps Ontario producers in doing business with the good people of that province. The fact is that this debate was intentionally and maliciously inspired by a group that has been allowed to de-

(Continued on page 16)

CABINET APPEALS MAY PLUNGE RAILS INTO POLITICAL POT

Work of Years in Building Independent Rate Adjustments in Danger

CHALLENGE IS CLEAR

Western and British Columbia Groups Determined to Carry Their Cases Into Cabinet Councils

From Our Own Correspondent

OTTAWA.—Twenty years ago parliament decided to take the making of freight rates out of politics. That was the chief note in the great speech with which the late A. G. Blair introduced the Railway Commission sections of the Railway Act. And for two decades the Railway Commission has been pointed to as one of the high achievements of the government of Sir Wilfrid Laurier.

That achievement, with the principle underlying it, is to-day being menaced. The belief that a commission of six capable men, assisted by experts in every department of railroading, could deal with freight rates more efficiently than 245 politicians, is being challenged. Unless party leaders within the next few months put principle before party expediency the challenge may prove successful. In other words, and to state the matter quite plainly, the Railway Commission is in danger.

May Cost Railways $15,000,000

In 1925, a year when the National Railways cost the taxpayer $50,000,000 in fixed charges, parliament cast aside the advice of the Railway Commission and put through legislation cutting railway revenues by $26,000,000. In 1927, unless attacks in Parliament and before the Railway Commission are fended off, the railways will lose a further $15,000,000.

The assault now in progress on railway revenues is the most formidable yet launched. The west is serving notice that the mountain scale must go. Alberta and British Columbia are massing their battalions preparatory to an advance upon parliament. Between the Great Lakes and the Pacific ocean there is not an organization willing to leave freight rates to the Railway Commission. Provincial governments, boards of trade, newspapers, farmers, dairymen—all turn from the commission to the politician.

The fight against the forces which now threaten Canadian transportation companies, and, incidentally, the Railway Commission, is being waged by the Canadian Pacific and the National railways jointly, and, fortunately for the railways, and perhaps also for the commission, the Dominion Government thus far has not shown a disposition to capitulate, as in 1925, and sacrifice the transportation companies to party needs.

Trying to "Equalize" Rates

Pending the reopening of parliament, the rate fight is being waged before the Railway Commission. This distracted body is endeavoring, at the behest of the government, to "equalize" railway rates. Taking the existing financial condition of the railways into consideration, and bearing in mind that the entire development of Canadian railways has taken place, and been sanctioned by parliament and the Railway Commission, on the basis that rates of the prairies are from 10 to 15 per cent. higher than in Eastern Canada, and that rates in British Columbia are approximately 25 per cent. higher than on the prairies—bearing these differentials in mind, it will be seen how serious is the present attack upon the transportation companies.

The Railway Commission, in judgements handed down in 1911, 1916, and 1920, has recognized this differential as between the Pacific Coast, the prairies, and Eastern Canada. The larger part of Western Canada's railway mileage was constructed on the assumption that a rate structure, sanctioned alike by parliament and the Railway Commission, would continue.

Yet, to-day, before both the com-

(Continued on page 8)

Canadian Ports Plan Effective New Years

From Our Own Correspondent.

LONDON.—The High Commissioner for Canada in London has reminded exporters in Great Britain that, in accordance with a recent amendment of the Canadian Customs Tariff Act, the rates of import duty laid down under the British preferential tariff shall apply to goods the produce or manufacture of certain British countries "when conveyed without transhipment from a port of any British country enjoying the benefits of the British Preferential Tariff into a 'sea or river port of Canada.' "

The amendment in question will come into effect on 1st January, 1927.

Little Slack Time at Besco Colleries

From Our Own Correspondent.

"There will be little slack time at the collieries this winter," a Dominion Coal official stated in conversation the other day. "Overseas trade is brisk and what with banking against the opening of St. Lawrence navigation and so forth the mines should work steadily all winter."

President Wolvin's statement at the Dominion Coal annual meeting that the mines will work full capacity until at least the middle of February, is hailed with satisfaction here. The Besco president is not given to over-statement or undue optimism.

Hatch Buys Out Walker

Man Who Engineered the Gooderham & Worts Deal Handles Big Purchase

The Hiram Walker & Sons distillery at Walkerville has been purchased by a group headed by Harry Hatch. The papers were signed on December 22, three years to the day after Mr. Hatch became the leading figure in the Gooderham & Worts distillery.

Hiram Walker earnings for the last six years have averaged $1,250,000 net, it is said, and the price paid by the Hatch group is approximately $15,000,000, of which $1,000,000 is bills receivable.

Only $4,000,000 of securities in the Walker distillery will be offered the public, probably through Mara & McCarthy and Osler & Hammond. This offering is more likely to be in the form of common stock than preferred or bonds.

It is not the intention of Mr. Hatch and his associates to consolidate Hiram Walker with Gooderham & Worts, although the management of G. & W. will co-operate in the management of the Walker distillery.

It has been rumored for some weeks that Industrial Alcohol was about to buy the Walker business, but it is now known that both I. A. and Seagrams have been out of the picture for a week.

Loan Share Owners Get 20% for Year

Shareholders in the Central Canada Loan & Savings Co., get dividends totaling 20 per cent. for 1926. The directors have declared the usual quarterly dividend of 3 per cent. plus a special bonus of 8 per cent.

The distribution will be made on January 3rd to shareholders of record December 15th.

Brantford Cordage Joins in Protest Against New Invasion from Holland

Profits Cut in Half by Dutch-German Competition, Canadian Companies Point Out That Labor Cost of Overseas Competition is Third of Expense Here

Canadian binder twine manufacturers who have never asked for tariff protection against United States manufacturers of their product now declare that importations of binder twine from Holland and Germany in the last three years are threatening the Canadian industry. They consider such imports unfair competition constituting an ultimate menace to Canadian grain growers even though in the meantime these benefit from lower prices. From the standpoint of investors, the situation is chiefly interesting as it relates to Brantford Cordage Company, whose securities are widely distributed.

For the three months ended June, 1924, the Holland manufacturers sold $64,000 worth of binder twine in Canada. For the corresponding three months of 1925 their sales had grown to $538,000 and for the corresponding three months of 1926 the sales totaled $909,000. German manufacturers also sent a shipload of binder twine to this country. Although the ship was wrecked, the bulk of the cargo was salvaged and placed on the market.

Sell Under Market

Canadian manufacturers claim that salesmen for the Dutch and German interests have assured dealers in binder twine in the Canadian Northwest that, whatever the price of domestic twine, the imported article will sell three-quarters or two cents the pound less. The result of this campaign has been that dealers have placed no orders with domestic manufacturers. The manufacturers are unable to estimate their requirements for next season and the entire industry is threatened seriously.

An example of the inroads which the imported article has made in Canada is shown by the annual statement of the Brantford Cordage Co., published in The Financial Post two weeks ago. Profits of $627,000 in the fiscal year 1925 were cut in two in the fiscal year 1926.

It is pointed out on behalf of the manufacturers that they are finding difficulties, not only in estimating requirements, due to this Dutch and German invasion, but also that banks are disinclined to finance operations throughout the year while the situation remains as it is. The consumption of binder twine is confined to a few weeks in the season, yet the manufacturers are compelled to operate the year around. If they do not know how much binder twine they can sell, they cannot operate profitably and are unable to buy their raw materials to advantage. There is a great deal of service rendered the farmer by the manufacturers. There have been times when twine has been rushed to the West by express in order to meet emergency demands.

This service, while it usually is conducted at a profit to the manufacturers, is really essential to the farmer and it needs no imagination to see that manufacturers in Holland or Germany would be unable to give such service.

If Canadian manufacturers are driven out of business, which is not so remote a possibility so long as importations are permitted free of duty from countries where the labor costs are one third the labor costs of Canada, the Canadian farmer then will be at the mercy of foreign manufacturers. In the meantime, the Canadian manufacturers may have been able to buy their binder twine at somewhat less than the standard prices prevailing in the United States and Canada but it is conceivable that prices may be put to new high figures if the farming industry is left to the mercy of a foreign trust.

Ask Protection Against Dutch

The companies never have objected to the duty-free importation of binder twine from countries where the same general level of wages and the same standards of living prevail as in Canada. This is a reference to the United States manufacturers. The latter get into the Canadian market free of duty and the Canadian manufacturers have been able to hold their own in the face of this competition. The protection now asked is protection against Dutch and German manufacturers. Salesmen for these organizations have openly boasted that they pay only one-third the wages that are paid in Canada.

It is also believed that the quality of the European twine is not equal to the quality of the twine manufactured in Canada.

Steel Preferred is Out of Line?

From Our Own Correspondent

MONTREAL.—It apears that at present market prices either the common shares of the Steel Company of Canada are selling too high or that the prefered shares of the company are selling too low. The common has been changing hands at around 120 and the preferred has been changing hands at around 125.

The preferred share equally with the common after payment of 7 per cent. on the junior security. In May, 1920, the common shares went on a 7 per cent. dividend basis and this level has been maintained since that time—a period during which many industrials reduced their dividend payments.

During the past three years the company has earned about 31 per cent. on its preferred and about 13 per cent. on its common stock. During the current year the earnings are expected to break new high ground.

In view of the strong position which the company occupies and because the preferred shares are participating, there are many who believe that there should be a wider than $5 spread between the market price of these two classes of security.

Tooke Brothers to Pay Arrears

From Our Own Correspondent.

MONTREAL. — It is understood that the directors of Tooke Brothers have under consideration a plan leading to the liquidation of the dividend arrears on the preferred stock. The recent strength in the stock can be attributed to the formulation of such an offer to the preferred shareholders.

Tooke Brothers profits over the past five years have shown a steady increase. In 1922 the company experienced an operating deficit, but in the last fiscal year, which ended June 30 last, the earnings were just over the preferred dividend requirements.

The preferred dividends are now some 35 per cent. in arrears. The authorized amount of the preferred issue is $1,250,000 of which $985,000 is outstanding. It has been suggested that the plan which is now being formulated calls only for the issuance of additional preferred stock in lieu of dividend arrears; but such an arrangement would materially increase the annual payments which the company would have to meet. Perhaps, therefore, the arrears might be met by a distribution of both preferred and common stock.

In the meantime, the management is working out the details of the plan which it is said will be announced shortly.

One of the chief lines of production of the company is shirts in which competition is still very keen but, it is understood, that the net earnings during the past six months are at much about the same level as a year ago.

Opposition Should be Included in Imperial Conference Discussion

Attendance by Government Members Alone Throws All Decisions Into Realm of Local Politics by Committing Premier to Them and Arousing Opposition's Protests

By HORACE T. HUNTER,
Vice-president, The Financial Post.

Sixth article in series on Imperial Conference and its results. Mr. Hunter was in London during the conference investigating Imperial and Canadian economic problems on the spot.

THERE is a growing sentiment among members of parliaments and even among Cabinet Ministers that the opposition party in various countries should have minority representations on delegations to Imperial Conference. I believe business men generally will heartily approve of this view.

I discussed this matter with Hon. J. H. Thomas, one of the leaders of the Labor Party. He was quite outspoken in his view that the "opposition" should be represented, and further, that the Imperial Conference should be held in a different country each time. He felt very strongly that these were important points and that unless these changes were made the Imperial Conferences of the future would be greatly handicapped and would accomplish little.

The Secretary for the Dominions, Rt. Hon. Mr. Amery, also favors including members of the opposition in the conference delegation.

Foreign Secretary Consults Opposition

It has been customary for some years in Great Britain for the Foreign Secretary to consult the leader of the opposition on important matters of foreign policy. This has to a great extent taken the foreign policy out of politics and has enabled Great Britain to present a united front on matters of great importance. It has also given continuity to the foreign policy, and seldom does a change of government mean a reversal in policy in matters affecting foreign countries.

The vicissitudes of politics are well known. Each conference records the presence of prime ministers as delegates who, at the time of the previous conference, were members of the opposition. Had they had the opportunity of attending as leader of the opposition, they would have received knowledge, experience and poise which would give them prestige and standing should they, at subsequent conference, head the delegation from their country as prime minister.

It is generally admitted now that President Wilson made a mistake in not taking with him to Versailles some prominent Republican senators who could have spoken for their party. His failure to consult his opposition caused internal dissension in the United States, which cost Wilson his life and set back for years commercial readjustment in Europe.

By-Election That Meant Control

In most cases, the opposition represents a body of opinion only slightly

(Continued on page 9)

ELECTRIC GIANTS HONOR BUSINESS PAPER PUBLISHER

Pay Tribute to Wonderful Service Given Their Industry

THOUSAND THERE

Business Papers Exert Great Influence and Aid in Advance of Industry, Declare Leaders in Field

By Staff Editor

NEW YORK. — The electrical industry on this continent would not occupy the place it does today were it not for Jas. H. McGraw and the business publications he has established. This was the keynote of the great gathering of over 1,000 men who came from far and near to take part in the testimonial dinner tendered to Mr. McGraw last week, on the occasion of his 66th birthday and the completion of 42 years in business newspaper publishing.

Seldom if ever have industrial interests representing such a huge amount of capital and such a large body of men gathered together to testify to a great benefit that had accrued to them and to the country in direct and indirect ways.

Not only has much been accomplished in the past, but the business newspapers Mr. McGraw had established are exerting a constantly increasing interest and it is safe to say business men will lean on them more in the future than in the past.

The audience was indeed worthy of a great occasion. Thos. A. Edison, the great inventor, was honorary chairman of the dinner committee. He was enthusiastic over the idea and paid a great tribute to the value Mr. McGraw's publications had been to the electrical field. He summed it up in the following way: "Through sheer ability and indefatigable hustling he has permeated the entire electrical art and industry and richly deserves the honor you will show him to-night."

Leaders Do Him Honor

Arthur Williams, vice-president, New York Edison Co., was chairman, and told how eagerly and enthusiastically the leaders in all branches of industry served by Mr. McGraw's publications, had responded. They had felt the benefit of his constructive work and were delighted to have the opportunity of giving public recognition to it.

Others at the head table were:

General Guy E. Tripp, chairman of board, Westinghouse Electric & Mfg. Co.; Willits H. Sawyer, president, American Railway Association; Frank W. Smith, vice-president and general manager, United Electric & Power Co.; W. W. Freeman, general manager, Alabama Power Co., Birmingham; E. M. Herr, president, Westinghouse Co.; Newcomb Carlton, president, Western Union Telegraph Co.; John W. Lieb, president, New York Edison Co.; Charles L. Edgar, president, Edison Electric & Illuminating Co., Boston; Dexter S. Kimball, Dean, College of Engineering, Cornell University; Gerard Swope, president, General Electric Co.; M. S. Sloan, president, Brooklyn Electric Co.; Martin J. Insull; William Lawrence Saunders, chairman of board, Ingersoll-Rand Co.; Geo. F. Kuntz, vice-president, Tiffany & Co.; Phillip Gossler, chairman of board, Columbia Gas and Electric Co.; John V. W. Reynders, A. L. Salt, Philip Torchio, J. Waldo Smith, C. Stanley Mitchell, Sidney Z. Mitchell, Edward J. Mehren, Thomas E. Murray, Walter R. Addicks, Dr. E. R. Weidlein, Judge Wm. L. Ransom, H. M. Edwards, Robert Ridgway, Geo. S. Davidson, E. H. Rosenquest, Dr. Calvin W. Rice.

John W. Lieb, President New York Edison Co., acted as Toastmaster.

Thousands Send Telegrams

Two thousand messages, letters or telegrams, had been sent in by friends and admirers who had been unable to be present. Some of these were read by the chairman and the applause indicated that they expressed the sentiments of those present.

Herbert Hoover, Secretary of Commerce.—"For over 40 years Mr. McGraw has been performing a great service to

(Continued on page 12)

Investor's Index

Am. Solvents . . 11
Automot. Credit . 11
Asbestos 7
Attendu Eng. . . . 7
C. P. R. 7
Can. Cement . . . 7
Besco 11
Banque Nationale 15
Brant. Cordage . . 1
Brazilian 8
Brompton 6
Co-op. Wool . . . 16
Can. Canners . . . 4
Cent. Can. Loan . 4
Cub. Can. Sug. . . 7
Chase Medicine . 11
Cities Service . . 11
Deb. & Securi. . 11
Dom. Bridge . . . 7
Dom. Coal 1
Eastern Dairies 7-11
G. & W.-Walker . 1
Gatineau Power . 11
How. Smith . . . 6
Hudson Bay . . . 9
Mistassini Paper . 6
Mt. Royal Hotel . 7
Mont. Tram. . . . 11
Mortgage Disc. . . 11
Mfg. Finance . . 11
Mon.t Tram. . . . 8
Mont. Water & Pr. 9
Pacific Burt. . . . 1
'Peg Electric . . 8-11
Seagram's 11
Shawinigan . . . 8
United Bond . . . 11
Venezuelan Pet. . 7
Wayagamack . . . 6
York Parking . . 11

MINES

Amulet 20
Barry Hollinger . 20
Boischatel. . . . 19
Cons. Smelters . . 17
Corona 19
Duprat 19
Dunwell 18
Graham Island . . 20
Huronian Belt . . 19
Harvie 17
Inter. Nickel . . . 20
McIntyre . . . 17-20
Mining Corp. . . 17
Noranda 17
Nipissing 17
Paymaster . . . 18
Peterson 19
T. O. B. 19
Tough Oakes . . 20
Teck-Hughes . . . 17
Vickers 19
Vipond 20

Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Field Crop Revenue Presages Heavy Buying Next Year
Business Shows Signs of Seasonal Lull in Many Lines
Dry Goods Trade Optimistic; Leather Situation Encouraging
Car Loadings Off Owing to Lighter Grain Movement
Export Trade More Active at Present Time

FURTHER strength to the growing optimism regarding business for next year, is seen in the estimate of field crops, issued by the Bureau of Statistics, the aggregate value of which is placed at $1,065,822,000, as compared with $1,153,394,900 and $995,235,900, the final returns for 1925 and 1924, respectively. Grain hay was not taken into consideration in making up this report, the value of which amounts to around $50,000,000, so that the value of all field crops for 1926 will amount to within a few millions of that of the preceding year. This estimate substantiates the one published by The Financial Post recently, there being a variation of but a slight sum, due to the lower value of wheat taken by the bureau.

In contrast to this, the United States Department of Agriculture issued a statement showing a slump of over a billion dollars in the value of that country's important farm crops this year, as compared with the previous year. Thus it will be seen that the Canadian farmer received a greater revenue on a per capita basis than the farmer in the States. As a result buying power of the Canadian farmer next year will not show any material recession from that of 1926. In Prince Edward Island, Nova Scotia, Manitoba and Saskatchewan, the farmer will have more to spend, while those in the other provinces will note their purchasing power unduly curtailed.

A slight lull in business is now apparent, but at this time of the year has no special significance. Production of iron and steel during November dropped off from the previous month's output owing to the cessation of outdoor work and the cleaning up of fall orders. In the eleven months ending November, pig iron output totalled 683,532 tons, while steel ingots and castings produced in the same period amounted to 718,395 tons. Compared with the corresponding eleven months of 1925, the former shows an increase of 33 per cent. and the latter 4 per cent. This greater activity in the iron and steel trade has meant increased employment and heavier payments in wages and materials in industrial centres, which has been and is still reflected in the increased buying power of the urban centres.

Seasonal Decline in Building

Building permits issued last month also declined in comparison with the previous months, but compared with the same month a year ago, there was an increase of 24.8 per cent. Value of permits issued in November in some sixty-three cities was $9,968,937, as against $14,614,543 in the preceding month and $7,988,765 in November last year. A point worthy of attention as indicating the tendency to carry construction into the winter months is seen in the fact that all provinces reported increases as compared with November, 1925. The employment figures from month to month bear out this trend, the season drop in the number of construction workers this year being less pronounced than for some time past.

Wholesale dry goods dealers have had a fair year and the majority are very optimistic as regards the outlook. H. Y. Farr, one of the leaders in this field, recently summed up the situation as follows: "With the promised reduction in taxes, the effect will undoubtedly be to bring much capital into the industrial field, which will doubtless stimulate business in general and permit the dry goods wholesalers to look for porsperous business during the coming year." Moreover, the market for drygoods in the West has shown considerable improvement in the last month or two. The prairie wholesalers and retailers have been going along with very small stocks of drygoods, but lately they have placed a number of substantial orders for delivery early next year.

Similar conditions to those in the drygoods trade, exist in the leather industry which has heretofore been experiencing only mediocre business. The president of the Shoe Manufacturers' Association in Canada is authority for the statement that the total output of the boot and shoe industry for the year 1926 will be larger than the production in any year since 1919 and will be only a trifle under the output of 17,300,000 pairs in 1912, which was the banner pre-war year. In addition, there has been an improvement in the other leather industries, especially tanning, and the outlook for new business continues favorable.

The present trend of business is well illustrated by the car loading figures of recent weeks. In the week of December 11th loadings were lighter than in the previous week or in the corresponding seven-day period of last year. The decrease, however, was almost entirely attributable to lighter movement of grain and grain products. Merchandise loadings continue heavily, largely owing to the Christmas trade, while other commodities such as coal, livestock, coke, pulpwood, pulp and paper, other forest products, ore and miscellaneous products show fractional gains or losses as compared with the same week last year, but on the whole are slightly ahead.

Export Trade Improving

Export trade is showing signs of picking up after having been in somewhat of a slump during the summer months on account of British coal miners' strike. Rubber goods shipments show an appreciable increase during November, while at the same time, sugar exports were nearly four times what they were a year ago. Pulp and paper exports showed some recession from the October figures, but as compared with November last year are about a $1,500,000 ahead. Pulpwood shipments to the United States are off this year, indicating that Canadian mills are manufacturing more and exporting less of the raw material. It is understood that export business of the iron and steel industries promises to reach a record peak for the current year.

Foreign demand for grain and grain products may pick up slightly after the New Year as a result of the action of the steamship companies in reducing their freight rates on grain to the United Kingdom 6d. to 1s. per quarter, while the rates to the continent are quoted 2c. to 4c. per hundred pounds lower. It is now too late for the ports of Montreal to feel the effect of this cut, but it will probably result in increasing the quantities shipped through Saint John and Halifax.

INCOME TAX PROBLEMS

Taxing Loans to Shareholders

By an Income Tax Expert

PROBLEM NO. 4.

In June of 1926 The Income War Tax Act was amended as follows:

"For the purposes of this act, any loan or advance to, or appropriation of the funds of the corporation by, a shareholder of a corporation other than a loan or advance incidental to the business of the corporation shall be deemed to be a dividend to the extent that such corporation has on hand undistributed income and such dividend shall be deemed to be income received by such shareholder in the year in which made. This subsection shall not apply to a loan or advance made by a corporation lawfully empowered to make loans to its shareholders."

This legislation was retroactive to 1925. Balance sheets have been prepared and submitted, many of which reflect just such loans. The question is are these loans to be taxed as a dividend in the hands of the borrowing shareholder There are presently being prepared many balance sheets for 1926 which might also reflect loans or advances,—are they to be taxed?

On the strict interpretation of the language used, such shareholders might be expected to be assessed on the loans as income of the period in which the loan was effected unless it was incidental to the business of the company, such as an accountable advance for travelling purposes or made by a company lawfully empowered to make loans to its shareholders.

Why Section Was Introduced

This legislation it seems was proposed to stop what is really an illegal practice of shareholders borrowing from companies in which they hold shares and probably more especially directed to those corporations where the stock is closely held; it was felt that some such corporations might have effected loans to principal or controlling shareholders in lieu of paying a dividend. The shareholders would use the money much in the same way as they would use money received by way by dividend, intending, possibly, to liquidate the loan in the future by the declaration of a dividend but in the meantime avoiding taxation. From the language used it becomes obvious that many shareholders having no intent to avoid taxation may become liable to tax on their innocent borrowings.

Those shareholders in the main, who have borrowed for legitimate purposes from their company can no doubt switch by having a third party take over the loan on the same security or possibly further security. The shareholder, however, who has spent the money, would find it more difficult to switch the so-called loan or repay it.

Must Lay Up This Year

Parliament, on making this section retroactive, has apparantly given more power than really was intended to be strictly applied. The useful intention, in retroactivity, was not to pounce on shareholders but rather to require of them, under compulsion, to pay back the monies borrowed before the close of the 1926 fiscal period. Those who have borrowed for legitimate purposes will be able to do so. Those who under the guise of borrowing received really a dividend will find it difficult. Generally and broadly speaking this will be so. If repayment is effected before the end of 1926 of the loans had during 1925 and 1926, then that possible strict interpretation of the section in respect of such repaid loans will not be invoked.

Any loan, however, remaining unpaid after 1926 will be taxed as income of the period in which the loan was effected. It therefore behooves all borrowing shareholders to take notice accordingly and have the loan disappear from the balance sheet of the company as made up at the end of the 1926 fiscal period.

It would seem advisable that every effort be made to repay the loan since dividends for 1925 and thereafter are not exempt from what used to be termed normal tax, but are taxed just as other income is taxed. Consequently, if the loan be a legitimate loan, the cost of it will be exceedingly heavy if not repaid, when the tax, plus whatever interest he is paying, is added together.

This notice really requires immediate action by companies on behalf of their borrowing shareholders for it is clear that any loans of the 1927 period, including loans carried over from previous periods will be taxed as a dividend whether repaid or not after the close of the 1926 period.

If a substantial loan has been taxed in the hands of the borrowing shareholder, it is not just clear how the same monies are to be taxed if distributed as dividends. Are they to be taxed again? Are the several recipient shareholders to be free of tax on the dividend because the tax burden thereon has been once borne by a borrowng shareholder who no doubt would pay more heavily because of the graduated surtax affecting higher brackets?

How It Will Be Done

It is intended that when a substantial loan has been taxed under the section, repaid and then an equivalent amount distributed by way of dividend, that the borrowing shareholder will not be called upon to pay a further tax on his proportionate part of the dividend distribution and that all other shareholders will not reap a benefit from the burden of tax borne by the borrowing shareholders but will themselves be taxed on their share just as though the dividend distributed had never been out on loan to a shareholder. An interpretation tending to avoid double taxation always finds favor and it probably will in the circumstances here related.

SYDNEY FINANCES COMMUNITY HOTEL IN SNAPPY ORDER

Required $300,000 Assured By Sale of Preferred Stock

From Our Own Correspondent

SYDNEY.—Symbolic of the changed conditions and outlook in Cape Breton is the triumphant windup of Sydney's hotel financing campaign. The provisional directors had estimated that they would be fortunate to get $200,000 by public subscription. What they actually realized was $246,000, and further contributions coming in every day since.

Bulk subscriptions assured but not yet received will bring the total to more than the required $300,000 enabling the new house to start off without the incumbrance of either a mortgage or a bond issue.

As a result of the unexpectedly generous response, it is understood that the size of the hotel may be increased beyond the 75 rooms originally planned.

The successful conclusion of the community effort—and it was a community affair, scores of the subscriptions being for $200 and $100 from citizens of only moderate means but unbounded faith in their city—has put new life and enthusiasm into a district already feeling the cheering effects of a revival of the coal and steel industries.

May Go to Halifax

Other parts of the province have watched with keen interest the progress of the Sydney drive, and Halifax has invited the Hockenbury System experts who organized the local campaign to go to the capital for consultation as to a similar effort which is to be made there to finance a new, modern tourist hotel.

At present Mayor McConnell is provisional president, with M. A. Doak, Besco comptroller, provisional secretary, and these gentlemen with the provisional directors, will carry on until January, when the stockholders meet to elect permanent officers. The Royal Bank of Canada has been chosen to handle all funds.

The company has been chartered as the Community Hotel Company, capital $300,000 divided in 7 per cent. preferred shares, cumulative after 1930. The common stock is the voting stock and one share is given as a bonus with each $200 of preferred. Fifty per cent. of the common is to be handed over to the chain hotel system, which will be chosen actually to operate the house.

Canadian Business Indicators

Compiled weekly by The Financial Post

	1926	1925	
Car loadings, week Dec. 11	67,051	69,446—	3%
Year to date	3,092,263	2,834,758+	9%
Merchandise shipped, year to date	809,420	755,218+	7%
Building permits—November, (63 cities)	9,968,937	7,988,765+	24%
Construction contracts awarded, November	34,972,800	46,972,800—	26%
Railway Earnings—Ten Months—			
C.P.R. gross	158,709,494	144,243,276+	10%
C.P.R. net	36,579,221	29,079,949+	26%
C.N.R. gross.	217,047,034	196,444,081+	10%
C.N.R. net	34,060,792	20,485,721+	66%
Pig Iron Output—tons, November	52,345	68,535—	23%
Steel Ingot production, November tonnage	54,311	73,205—	25%
9 months to November 30	718,395	690,342+	4%
Employment—November index	102.8	97.1	
Newsprint production—October tonnage	168,860	137,506+	22%
Automobiles produced—(10 months to October 31)	187,536	142,567+	31%
Immigration, 9 months, to September 30	112,835	67,878+	67%
Business failures—No. of firms, 9 months to Sept. 30	1,513	1,538	
Liabilities, 9 months	19,191,301	26,550,375—	27%
Imports of key commodities, 12 mos. ending October 31—			
Rubber (raw, in pounds)	46,679,016	41,660,915+	12%
Cotton (in pounds)	137,179,586	116,429,306+	17%
Crude petroleum (in gallons)	661,854,268	501,159,235+	32%
Exports of key commodities, 12 months ending October 31—			
Canned salmon, cwt.	612,053	746,970—	18%
Newsprint, cwt.	33,629,489	27,097,078+	24%
Wheat flour, bbls.	10,562,843	9,779,782+	7%
Wheat, bushels	253,138,477	187,325,992+	38%
Grain receipts, Aug. 1 to Dec. 3	212,395,405	237,122,870—	10%
Bank clearings, November	1,732,877,285	1,666,827,443+	4%
Savings deposits, Oct. (chartered banks)	1,347,564,14.	1,277,588,281+	5%
Current loans, Oct. (chartered banks)	983,440,760	906,249,140+	8%
Exports, 12 months to October 31	1,293,639,169	1,198,546,389+	8%
Imports, 12 months to October 31	991,114,109	865,165,383+	14%
Balance of trade, 12 months to October 31	302,525,060	333,381,006—	9%
Price level, November index, 236 commodities	151.5	161.2	
Pig iron (Number 1 foundry) Dec. 16	25.80	Nov. (Aver.)	26.85
Cattle—Good, Toronto, Dec. 20	7.00	Dec. (Aver.)	$7.62
Wheat, No. 1, Nor. Winnipeg, Dec. 20	1.33	Dec. (Aver.)	$1.57
Hogs—Select, Toronto, Dec. 30	10.00	Dec. (Aver.)	$13.25
Bond sales, 11 mos. to Nov. 30	543,241,995	443,577,564+	22%

THE ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727

Capital (fully paid) £2,500,000
Rest or Reserve Fund, (Oct., 1925) £2,571,249
Deposits (Oct., 1925) £40,457,710

Governor:
His Grace the DUKE OF BUCCLEUCH AND QUEENSBERRY, K.T.
Deputy-Governor
Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.

HEAD OFFICE: EDINBURGH
General Manager:
Sir Alexander Kemp Wright, K.B.E., D.L.
Secretary: J. B. Adshead.
LONDON CITY OFFICE:
3, Bishopsgate, E.C. 2.
LONDON (WEST END): DRUMMONDS BRANCH, 49, Charing Cross, S.W. 1.
GLASGOW (PRINCIPAL) OFFICE:
Royal Exchange Square and Buchanan St.

216 Branches throughout Scotland.

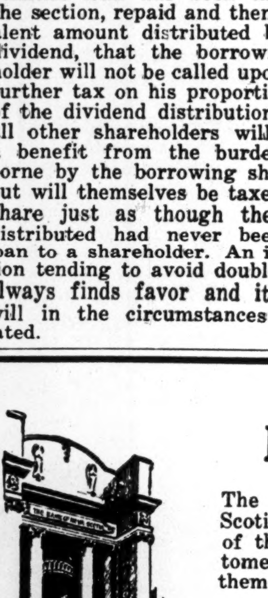
Every description of British, Colonial and Foreign Banking Business transacted.
Foreign Exchange Department at all the Principal Offices.
Correspondence invited.

BENNETT, HANNAH & SANFORD
Barristers, Solicitors, Etc.
Calgary, Alberta—Canada.
Hon. R. B. Bennett, P.C.K.C.
P. L. Seaford, B.A. A. Hannah,
O. H. E. Might, E. J. Chambers, LL.B.,
H. G. Nolan, M.C.M.A.

A. M. Mahaffy
Limited
Real Estate Auctioneers
Subdivisions, Tracts of Lots, Industrial Plants, Business Properties, Timber Limits, Mines, etc.
SOLD AT AUCTION
Office,
2 Court St., Toronto 2, Ont.

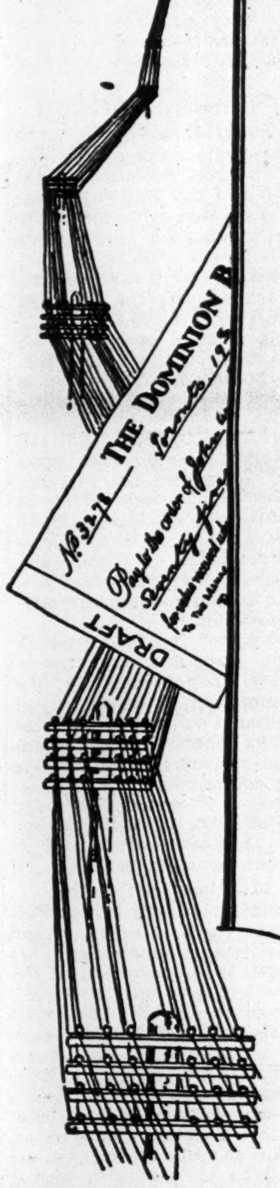
Coming Profits
Our next Market Bulletin will show 5 listed New York stocks which are in good physical position, now selling 100 per cent. under price of 1925. Write today for FREE Bulletin P4.
H. C. SCHAUBLE & CO.
63-65 Wall Street New York

CANADIAN BANK NOTE COMPANY
LIMITED
Engravers and Printers
BANK NOTES AND CHEQUES
CORPORATION BONDS
STOCK CERTIFICATES
MUNICIPAL DEBENTURES
AND OTHER
MONETARY DOCUMENTS
Head Office and Works
224 Wellington Street, OTTAWA
Branches
MONTREAL TORONTO



IN NEW YORK
The New York agency of the Bank of Nova Scotia is located at 49 Wall Street, in the heart of the financial district, and our Canadian customers visiting New York are invited to avail themselves of its services.
THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserve, $19,500,000.
Total Assets, $240,000,000.

The Strength of a Bank
is determined by its history, its policy, its management, and the extent of its resources.
For over 100 years the Bank of Montreal has been in the forefront of Canadian finance.
BANK OF MONTREAL
Established over 100 years
Branches in every important city and town in Canada and Newfoundland.



Remitting Money
We sell Drafts, Money Orders and Cable Remittances on all parts of the world.
Private wires between Toronto, Montreal and New York and strong connections in foreign countries enable us to quote lowest possible rates.
You are assured careful, quick and economical service on your transactions.
THE DOMINION BANK
Established 1871
90
Consult the Manager of our nearest Branch.

Making Collections
This Bank makes a feature of its collection service. This means that your drafts will be forwarded promptly, presented promptly and followed up until the credits appear in your bank account.
IMPERIAL BANK OF CANADA
179 BRANCHES IN DOMINION OF CANADA
Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND—The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—Northern Banking Co., Limited, Belfast and Branches.
Agents in FRANCE—Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SIX BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.

Some Aspects of Maritime Problems

An Address to the Lions' Club of Montreal

By **RIELLE THOMSON**,
Eastern Editor, The Financial Post.

BEFORE dealing with a few of the outstanding Maritime problems, I wish to make the point that these problems may be viewed from two angles—the spiritual and the physical. I shall not dwell longer than a moment on the former, for the sea history of our race speaks so loudly that you would not be able to hear anything that I might tell you regarding the necessity of conserving our sea traditions and maintaining the closest association with our sea peoples. It must never be forgotten that we spring from a race which has survived and grown strong only as it has cultivated those benefits arising from sea tradition, sea trade and sea culture.

And from the spiritual angle there is another point which I believe you will consider of some importance.

I have been told by responsible men in the Maritimes that it would be the easiest thing in the world to incite trouble of one sort or another there. I do not believe this, but even it it should be partly true, it would indicate that unless we are willing to give tolerant and sympathetic considerations to Maritime claims there is the possibility, though not the probability, that we may create a thorn in the flesh for ourselves such as Ireland has been to the United Kingdom.

The Physical Aspect

Now as to the physical, or dollars and cents, side of the argument. The Dominion now has annual exports totalling $250 per capita as compared with less than $150 per capita in the United Kingdom and less than $100 in the United States. Thus Canada is the largest exporting nation in the world to-day—on a per capita basis. The carrying on of a great export trade means sometimes the protection of trade routes, sometimes the investment of funds in foreign securities, sometimes the investment in merchant ships and always the maintenance of proper outlets to the sea.

The importance of the last cannot be over-emphasized, as witness the struggles of some of the European inland states to acquire suitable ports through which they may send their commerce overseas. Again witness the important part which Trieste played in the old Austrian Empire, or Poland's outcry for a path to the sea. Such examples could be multiplied literally a thousandfold. They but indicate of what vital importance are the Maritime provinces to Canada as a whole. For several months of the year, these provinces are the Dominion's sole domestic outlet to the Atlantic.

Whilst a large percentage of the Dominion's foreign trade leaves these shores through other ports and other countries, and perhaps much of it will always continue to do so by reason of economic influences on the flow of trade, yet in a great exporting nation the importance of maintaining proper outlets to the sea can never be overestimated.

Many, Many Burdens

Now let us direct your attention to the geographical position occupied by the Dominion. It is a country some 3,500 miles long with an average breadth, shall we say, of 1,000 miles. And this is a liberal estimate when one considers such regions as the Rockies, the North shores of Lake Superior and the lower portion of the province of Quebec and the upper part of New Brunswick which are practically uncolonized.

The Dominion is divided into four great parts; the Pacific Slope, the prairies, central Canada and the lower provinces. In order to endeavor to build a country from such a narrow and stretched out series of economic units, sacrifices are necessary. The chief question to be faced is whether or not the Maritime provinces have, and are, bearing more than their fair share of the necessary burdens.

Let Us Investigate

When I was in the Maritimes recently, one of the many ardent enthusiasts who sponsor Maritime rights there, began to talk to me about the pact of Confederation. I said to him: "There is no use talking to me or any business man from Central Canada, about what Sir John A. Macdonald said to Sir George Etienne Cartier in 1865. I am no historian and it doesn't interest me and I don't think it will interest the business men of Upper Canada."

Caused Some Disturbance

These remarks caused some slight disturbance in the foyer of the Admiral Beatty Hotel at Saint John, but before leaving the Maritimes, I became convinced of one point, namely, that every story has a beginning and the Maritime rights story starts with Confederation.

At the risk of boring you for a minute or two, therefore, I shall hark back to Confederation.

At that time, there was a tremendous difference in the economic conditions which prevailed in the Maritimes and in Canada. The Maritimes were sound and prosperous, while Canada (Ontario and Quebec) was in a slough of despond. In other words, Canada, not the Maritimes, was in trouble and needed Confederation.

In the early sixties, the province of Canada was in almost desperate straights. Coupled with the domestic and political troubles which confronted her, there was also the cancellation of the reciprocity treaty by the United States. Indeed, that country at that time was threatening war upon Canada. Thus, the bonding and exporting privileges of what are now the two upper provinces through United States ports were seriously menaced. Then again Ontario and Quebec had not outlets of their own to the sea. And there was the imminent possibility of the country's being ceded to the States. I refer, of course, only to what are now known as Ontario and Quebec.

West Made Overtures

To-day, there are many in Montreal and in Ontario who believe quite sincerely enough that in 1867 Canada permitted the Maritime Provinces to join her. But this hardly seems to have been the position at that time, for overtures were made by the Government of the upper provinces which were turned down by the Maritimes. But without dealing with this point at too great length, it is to be admitted that the Maritime Provinces finally acceded to the overtures and joined in Confederation.

The Pact of Confederation just got by in the Maritimes and that is all. It is pretty generally felt to-day that the majority of the people there were against the federation of the provinces, but whether or not this is so does not matter, for Confederation was agreed to and became an accomplished fact.

On July 1, 1867, came Confederation; it was no day of great rejoicing in the Maritime Provinces. Many of the daily newspapers ran black borders round their front pages and flags were flown at half mast throughout the three provinces.

The Maritimes joined in Confederation only on certain understandings. They were in a minority. They had the outlets to the sea which the country so badly needed, and lastly, they realized that such a Confederation would place the Maritimes under certain disabilities and, therefore, in joining with Canada, they demanded and were promised certain advantages in exchange for the privileges which they lost by joining the Confederated Union. Now these quid pro quos were many and varied. They are not included in the British North America Act. That Act is not the constitution of the country, but simply the legislation which brought our constitution into force and, like Great Britain's, it is unwritten. The details of the bargain were arranged at the various conferences of statesmen—we should call them politicians now-a-days—who negotiated and finally consummated the Union of the colonies.

The Railway and the Ports

The two chief promises made to the Maritimes were the construction of the Intercolonial Railway and the decision to send Canadian goods through Canadian ports.

I shall not quote speeches of politicians and other evidence which may be regarded as undertakings of Canada with regard to the flow of Canadian goods through Canadian ports, but I should like to tell you that I am satisfied in my own mind that these promises were made, not once, but often.

At the present time, the promises of the upper provinces have been so poorly fulfilled that only one-third of our grain crop flows through Canadian ports. By Canadian ports I include the ports of Quebec and Montreal. Only 5,600,000 bushels were exported through the Maritimes as against 39,000,000 bushels from Montreal in the 1925 crop year.

Before Confederation, the trade of the Maritimes flowed north, south or overseas and in the intervening 60 years, nothing—as far as I know—or practically nothing has been done to fulfil the promises of Canadian traffic for Canadian ports; in this I refer to the government action only. The Maritimes themselves have done much to route traffic through their ports.

Parenthetically, I might say that it is not so much the lack of action during the past 60 years, which annoys the Maritimer, as much as the lack of action to-day.

Thus, to-day, the Maritimes ask that the ports of Saint John and Haifax be administered by a federal harbour board in the same manner as the port of Montreal is operated. At the present time, while much has been accomplished by the railways for these two ports, they are, in the last analysis, civic undertakings. It is felt that they should be a national obligation and national ports.

The Railway Situation

Now, as to the railway promises. In the first place, the total cost of the canals in Canada were about the same as the cost of the Intercolonial; the latter was not regarded as a paying proposition, but rather as a canal which would change the natural flow of traffic from north to south to east to west.

This promise has been neglected. During the past four years when the Maritime Provinces have asked for freight reductions they have always obtained the reply that the Atlantic division of the Canadian National Railway is not making money.

At that time, too, it was agreed that the Intercolonial Railway should be extended to open up and to tap the resources of the northwest territories, thus to provide further Maritime trade. There is no need for me to dwell on how this promise has been carried out. But now we move onwards from the period of Confederation and regard some of the more recent railroad promises made to the Maritimes. The Intercolonial was built, but for strategic reasons it was made about 250 miles longer than was necessary.

Not Only on Confederation

But the Maritime Provinces do not base their claims to certain concessions on promises made at the time of Confederation, but they point also to the National Transcontinental Railway. Once again promises were made never to be fulfilled. At that time, the Maritimes were promised through traffic on the new transcontinental line from the west. You will recall that this road links up the Prairie Provinces with the direct line running between Winnipeg through Northern Ontario direct to Quebec City and thence to Moncton and Halifax.

The Maritimes paid their share of the cost of the road and it was definitely promised them that all traffic originating on the lines of the National Transcontinental, if not export, should be routed through Canadian ports. Nothing has been done by later governments to keep the faith in regard to these contracts. The number of bushels of wheat routed via Cochrane, Quebec City and the Maritimes is less than insignificant.

More and More Bad Deals

But that is not all. Again in 1911, some more railroad chicanery was put over on the Maritime Provinces when that Mackenzie and Mann vision, the Canadian Northern Railway, was put through. At that time, the Federal Government was able to grant financial assistance to the road solely on the understanding that such aid was for the express purpose of encouraging the transportation of goods through Canadian channels.

The Maritime Provinces paid their shot of the Canadian Northern Railway expenditures. Later, just before the war, the railroad builders got another $45,000,000 from the government, and at that time the principle of Canadian traffic through Canadian ports was re-affirmed; otherwise, perhaps, the Maritimers would not have paid their share of the deal.

With all this, is it any wonder then that to-day the Maritime Provinces are asking for some railway concessions? These provinces have steadily contributed their share of the terrific railway burden, but would you say that they have received the benefits which some of the other provinces have enjoyed?

Now let me deal with two more points, namely, canals and immigration, in which the Maritimes feel that they have received unfair treatment.

No Resulting Benefits

The Maritime Provinces pay their share of the upkeep, maintenance and annual charges of the Lachine Canal. This same traffic artery allows American coal to travel and be used in the port of Montreal in direct competition with the coals produced in Nova Scotia. Regarding this, Nova Scotia knows that such expenditures are harmful to her trade, but at the same time is willing to make certain sacrifices to remain in a united Canada. On the other hand, Nova Scotia asks Central Canada also to make certain sacrifices in exchange. Nova Scotians to-day want to know what Montrealers are doing for Nova Scotia as compared with what Nova Scotia is doing for Montreal in helping to pay the charges on the Lachine Canal.

And Next, Immigration

Then there is the question of immigration. The Maritime Provinces have paid their share of immigration costs ever since Confederation. They have paid the fixed charges of railroads which were built in order to bring in immigrants and in exchange for such payments, what have they received? Between the years 1871 and 1921 the population of the Maritime Provinces increased by 14 per cent. as against an increase of 114 per cent. in the rest of Canada. The proportion of the increase would be even larger if only Ontario, Quebec and the Western Provinces were considered in the total. To-day, Prince Edward Island has a smaller population than it had before Confederation, when it had its own industries and was almost self-supporting and carried on a trade on all the seven seas. The Maritimes like to see Canada grow, but are only willing to pay taxes to assist such a growth when they themselves obtain some of the resulting benefits.

Such benefits they have not obtained either through increased trade or increased immigration.

Is this a situation which amounts to taxation without proportional representation? I do not answer the question, but I have submitted one or two fundamental points which have a bearing on the answer.

Ask for Consideration

To-day, the Maritime Provinces feel that they deserve some consideration in the matter of immigration and are asking that when payments are made to bring immigrants to this country, the advantages of the Maritime Provinces be not forgotten and that some of the flow at least should be directed there.

From what I have said, I think you will agree that there is at least a possibility that the Maritime Provinces pay an annual tribute on the railways, on the canals, and for immigration without resulting benefits. I could mention many other ways in which these provinces pay an annual tribute, and by tribute I simply mean more than their fair share of the taxation burden.

Now, as to the economic position and general position of the Maritimes to-day. These three provinces were originally built up by what amounted to free trade. They shipped their produce to every country in the world. Nova Scotia had an excellent shipbuilding industry, and played no mean part in the world's ocean borne commerce. The provinces at that time were dependent as they are to-day on their coal, on their fishing, on their agriculture and their lumber. These four natural resources were the main beams which upheld the economic structure of the Maritimes at the time of Confederation. They are still the foundation which upholds what progress there is in the Maritimes to-day.

The Effect of the Tariff

To-day, Canada operates under a system of protective tariff. There are those in the Maritime Provinces who feel that the Maritimes do not gain any benefit from the protective tariff. Of course, such a sweeping belief is not supported by examination of the facts. But there is reason to question if the present schedules are entirely fair to the Maritimes. They assume the obligation of a tariff that is not primarily based upon the needs of their agricultural, fishing and lumbering industries, and they ask where is the tariff based upon their needs?

No Complaint on Policies

The Maritimes do not complain about our national policy. What they do feel is that this policy bears more heavily upon Nova Scotia, New Brunswick and Prince Edward Island than it does upon other parts of Canada, without the compensating advantages other parts of Canada have.

One of the great natural resources of these provinces is coal, with which may be included, perhaps, the steel industry.

Upon casual examination it might be thought that the tariff policy of the Dominion is of great assistance to the steel and coal industry. Undoubtedly it is of some assistance. But what Nova Scotia feels is that the tariff helps industries in central Canada more than it does the steel and coal industry of Cape Breton. Let us examine the situation.

I would call your attention to the fact that as the present tariff stands it provides a duty on such items as wire rods, steel plates, and so forth, but numerous exemption clauses provide for a drawback of the duty paid on steel which is used in certain specified industries. Upon examination, it will be found that these specified industries cover a large percentage of the total steel imported. Nova Scotia's steel industry is chiefly a primary steel industry, producing products that can be imported duty free or at low rates of duty by other manufacturers, who use such products as their own raw material.

The Steel Industry's Place

When the steel industry in Nova Scotia was started with the assistance of government bounty, it was desired by the Canadian people to establish a self-contained and permanent base of supply of pig iron and steel ingots which would feed the workshops and railways of Canada. There was, and still is, no other possible location in the Dominion for self-contained steel plants using all British raw materials. As you know, the iron ore comes from the Wabana mines in Newfoundland. It would be of great advantage to Canada and the Empire to have a prosperous steel industry based on such a combination of strategically located resources. That Nova Scotia has not such an industry is, Nova Scotia feels, in some measure due to inadequate protection.

And now a word on the coal situation. In 1880 there was a duty of 60 cents a ton on coal, which at that time was supposed to be a sufficient protection for Canadian coal. In 1897 a distinction was drawn between bituminous round coal and bituminous slack, the duty on the former being reduced to 53 cents, and on the latter to a maximum of 13 cents.

(Continued on page 6)

For Investors

INVESTORS find our Bond Department of great assistance in selecting suitable investments, and also in arranging the purchase or sale of securities.

A MONTHLY list of offerings will be sent on request.

THE CANADIAN BANK OF COMMERCE

Capital Paid Up $20,000,000
Reserve Fund $20,000,000

FIVE YEAR BONDS

Five years is the usual term of a mortgage. "Canada Permanent" Coupon Bonds are issued for the same period, bearing interest at

FIVE PER CENT.

per annum, payable half-yearly.

Investors in these Bonds receive their interest the day it is due. Those who, to obtain a slightly higher rate, lend on mortgage security not only cannot be sure of prompt payment of interest, but have to see that buildings are kept insured, taxes paid and attend to many other details, the omission of which might jeopardize their investment.

Please let us send you full particulars of "Canada Permanent" Bonds which are a recognized high-grade security and a legal investment for Trust Funds.

CANADA PERMANENT MORTGAGE CORPORATION
14-18 Toronto Street Toronto 2
Established 1855

ANGLIN-NORCROSS
(LIMITED)

Contracting Engineers and Builders

MONTREAL :: TORONTO

For Economy with Service Route Your Freight Shipments
via
Canada Steamship Lines,
LIMITED

Between Montreal Three Rivers Quebec
From Montreal, Toronto, Hamilton to Port Arthur, Fort William
Between Montreal, Toronto, Hamilton, Windsor, Detroit

Member of F.T.D.A

Dunlop's
Limited

CHOICE FLOWERS

8 to 10 West Adelaide St.
TORONTO

"FLOWERS TELEGRAPHED ANYWHERE"

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

WHEN REMITTING
SEND
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

GLASS of all descriptions

All kinds of flat glass available

For immediate delivery and in large quantities.

Case goods, fancy glass, wire inlaid, leaded, plain, striped or prismatic, colored, church glass, etc.

Also sole manufacturers

NON-SHATTERABLE.—PERFECT VISION.—BULLET PROOF GLASS

PERFECTION GLASS COMPANY
LIMITED
MONTREAL

Executive Offices
201 Inspector St.

Factory
Atlantic Ave. and Hutchinson St.

NEWBOLD C. JONES
FREDERICK NEWTON
BRIAN HEWARD
JOHN D. MACPHERSON

JONES, NEWTON & HEWARD
MEMBERS MONTREAL STOCK EXCHANGE
105-106 TRANSPORTATION BUILDING
TELEPHONE MAIN 2411*.

"Make Your Will —and Live"

THE estate which your industry and enterprise have created, which some day you intend for the support of your dependants—your wife, who is everything to you—the children who have brought much joy into your life—that invalid mother or sister—that less fortunate brother or son—what steps are you taking to conserve your estate so that the income may be secured for their support?

To a business man facing such questions our Booklet on Wills furnishes a complete answer, giving much useful information on this important subject. We shall be glad to send you a copy on request.

The TORONTO GENERAL TRUSTS CORPORATION
Established 1882

HON. N. W. ROWELL, K.C., LL.D.
President.

W. G. WATSON
General Manager.

H. M. FORBES,
Asst. General Manager

Toronto Ottawa Winnipeg Saskatoon Vancouver

Lehigh Valley Service
to
NEW YORK

An overnight trip to NEW YORK may be made conveniently on The Lehigh Limited which arrives at the Pennsylvania Station in the heart of the city. A rock-ballasted roadbed equipped with the heaviest rail in general railroad use promises a pleasant, comfortable trip.

Leave Toronto via Can. Nat'l Rys.

GOING . . Leaves Toronto 5.40 p.m.
Arrives New York 8.20 a.m.
RETURNING Leaves New York 6.20 p.m.
Arrives Toronto 8.53 a.m.

Diner Serving Dinner and Breakfast in Each Direction.

Tickets, reservations, and information at City Ticket Office, Canadian National Railways, or Lehigh Valley Office, 13 King Street, West, Toronto. Phone Elgin 2214-2215.

F. V. Higginbottom, Canadian Passenger Agent.

Lehigh Valley Railroad
The Route of The Black Diamond

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
Foreign Issues quoted

DOMINION SECURITIES CORPORATION LIMITED

MONTREAL OFFICE
189 St. James Street

Established 1901
E. R. WOOD, President

LONDON, ENG., OFFICE
No. 6 Austin Friars

Head Office: 26 King Street East
TORONTO 2

Stock Market

STOCKS REMAIN STRONG THROUGH PROFIT TAKING

Standard Mining Exchange Experiences Second Most Active Day

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Dec. 22	97.6	94.7
Week of Dec. 15	97.3	93.7
Month of Dec. 1925	80.8	73.3
9 Bank Stocks		
Week of Dec. 22	$229	$228
Week of Dec. 15	229	226
Month of Dec., 1925	223	222
10 Public Utilities		
Week of Dec. 22	101	99
Week of Dec. 15	101	98
Month of Dec., 1925	94	90

Events on the Canadian stock markets were somewhat overshadowed during the week by the announcement of a 40 per cent. stock bonus in United States Steel common, but there were several features on the Montreal and Toronto exchanges and the mining markets which kept public interest keen and trading active. Prices have been generally firm with some disposition to erratic action in the latter days, when perhaps a number of the followers began to get out their Christmas funds.

Final conclusive evidence that trading has been unusually active during the year is that most of the brokerage houses, and all of the larger, older firms, have assumed the role of Santa Claus and are distributing substantial bonuses to employees, including both office boys and managers. The gratuities in some cases equal the yearly stipends and in other instances equal half those consderable sums. If opulence is a main factor in Christmas cheer, the stock-brokers and their helpers are spending their happiest Yuletide.

What of Fish?

Yet all is not merry. There are disturbing elements and the reporter who circulates among the brokers records a disposition to comment unfavorably on the conditions of affairs with regard to the stock of British Columbia Fishing & Packing. The criticism is that men who should tell what is going on in that stock are declining to say anything while the market goes up and down on rumor rather than information, and with people supposedly on the inside changing their market position from morning to afternoon the stock is viewed by the more conservative as an excellent one to stay away from.

Profit in Mines

Except for the erratic action of B. C. Fish, the Toronto and Montreal stock exchanges have been pursuing a fairly even course during the week, with the gains offsetting the losses and the generally bullish feeling being retained except for a tendency toward holiday withdrawal for the enjoyment of profits. It is in the mining markets that the keenest interest has been maintained with Area the leader, Noranda a firm stock and Duprat a development issue which filled many a Christmas stocking. One session of the Standard exchange was the second most active in its history. The board rooms of the brokers were as crowded as a metropolitan trolley in a rush hour.

Duprat sales in the week exceeded Area by some 25,000 shares, Duprat's total being 1,273,000, but the range in Area was greater, from 49 cents to $1. The high for Duprat was 35½, but this figure was maintained only momentarily. Most of the profit-taking occurred around 33½. Laval, Night Hawk, Argonaut Consolidated and Corona were other issues which were active and generally ascendant. Smelters was active and ranged from 252 to within 1¾ of the record high of 265.

Rails, Industrials Up

Stocks on the other boards which were strong during the week included Dominion Bridge, on the report of good earnings for the company and its subsidiaries, American Sales Book, which reached a new high, and there was interest in Davies A. Brazilian ranged as high as 107¾, with the street still in the dark as to the exact status of the Lowenstein offer, but interested in the report of continually improved earnings. C. P. R. came within an eighth of the year's high of 169, Russell Motor was firm at 50 and Steel of Canada reached a new high of 120.

Recent formation of the Anticosti Corporation to exploit the pulpwood resources of the island of the same name was one of the first incidents in many years to draw attention to this interesting, valuable but neglected bit of Quebec province remarks the Natural Resources Intelligence Service of the Department of the Interior at Ottawa.

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	6	1	2	9
Paper	6	5	4	15
Steel	8	7	22	37
Foodstuffs	10	14	16	40
Utilities	10	5	15	30
Tractions	..	8	7	15
Textiles	3	6	7	16
Industrials	13	15	21	49
Total	56	61	94	211

B.C. FISH CALLED TOO HAZARDOUS

The Speculative Atmosphere Around Stock Warns Off Many Investors

P. R. Gardiner, senior member of the stock brokerage firm of Gardiner, Wardrop & Co., is back in Toronto. Mr. Gardiner, who is said to have bought 7,000 shares of British Columbia Fishing and Packing, and consequently was elected to the directorate, was understood to have gone to the Pacific coast to sell the company to the California Packing Co. He returned within a short time via New York. On Wednesday he could not be seen, but his partner announced that Mr. Gardiner had returned from the West and had nothing to say.

Another director of the company says that all he has heard of the reputed deal to buy out the company is what he has read in the newspapes. He said that the question has never been discussed at a directors' meeting of B. C. Fish.

Price Forced Down

While Mr. Gardiner was out of town, word came that various people had been advised to sell their Fish stock, which in the meantime had reached a new high of 108½. The price broke rapidly on this news, about 6,000 shares being dumped on the market within a few hours. The drop brought a large number of stop loss orders into play and by Wednesday the price was forced down to 88, with trading totaling 12,000 shares or approximately 25 per cent. of the shares outstanding.

There is much criticism of the mysterious attitude which Mr. Gardiner and his associates have chosen to adopt. Most of the reports as to the unusually high earnings of the company for the season are said to have emanated from this stock brokerage circle, and it was on these reports that the stock originally rose. Now, when frankness would have a stabilizing effect, the interests which were responsible for the earlier activity, are reticent. There have been rumors that clients of two or three brokers were advised to get out of the market early in the week, but later some interests which had been heavy sellers became buyers again.

Some of the more conservative brokers and investors have been advising their clients and friends that the market in B. C. Fish is too highly speculative for safety, especially in view of the mystery which surrounds reputed deals involving the company or its stock.

Step off the train — step aboard the ship!

Sail to Europe on one of the Canadian Pacific liners from St. John, N.B. Relax yourself amongst luxurious appointments and enjoy carefree days on the Atlantic. Through sleepers take you direct to the ship's side. Further information from local agent or

J. E. Parker
General Agent
Ocean Traffic
C.P.R. Bldg.
Toronto

CANADIAN PACIFIC

CANADIAN PACIFIC STEAMSHIPS

STERLING APPRAISAL COMPANY
LIMITED
9-11 E. Wellington St., TORONTO
Sterling Security Reports are prepared by Registered Professional Engineers

CANNERS' SEASON HAS BEEN AMONG MOST PROSPEROUS

Earnings of Company Are Believed to be High; Shares Sell Up

DIVIDENDS IN ARREARS

Men Behind Company Have Faith in its Future as Essential Product in Universal Demand

Interest in the affairs of Canadian Canners is keen because of statements from persons who ought to know that the preferred stock is a good buy at the present level, 73, although the dividend remains at 1 per cent. per quarter, with arrears totaling 18½ per cent. Even the common has been advancing, selling around 20.

Probably Canners preferred is a good investment for a long pull. It has steadily improved its position since the organization in 1923 with the acquisition of Dominion Canners. The management is aggressive and experienced. The business is an essential one and the men behind it have faith in its future. A policy which has turned out well was the reduction of prices on canned goods a few months ago which has resulted in a marked increase in sales. Crop conditions in the past season brought about a reduction in overhead costs at the same time, so that the margin of profit, despite the lower prices on the goods, has not been materially affected.

Dealers Are Friendly

The company's products are well regarded by consumers and this goodwill is gradually being enhanced by judicious and persistent advertising. Jobbers and dealers, who may not have been any too friendly in days gone by, now are better disposed, thanks to a policy of co-operation adopted by the company.

Canadian Canners now can be regarded as among the leading concerns on the continent, a company which not only turns out a great variety of products of high quality, but one which by adoption of scientific exactitude in the assembling, cooking and canning of the foods has demonstrated the superiority of the canned product over the preserves manufactured under the usually uncomfortable conditions by the housewife.

In the early days of the canning industry only the poorest grades of fruit, vegetables and other products went into the cans. Thus grew up the tradition that the home-produced goods are superior to those which come from the shelves of the grocer in tins.

But those days are gone forever, in the opinion of men who know the canning industry. The fact that they have gone makes investment in Canadian Canners, or any other canning company with a wide range of products, modern factories, good management and aggressive advertising campaigns, good for a long pull. Eventually, it is contended, the old tradition that there is nothing so good as the housewife's own preserves concocted on a summer day in a hot kitchen are the best that can be had, will become extinct.

Best Into Cans

It is pointed out that the best of fruit and vegetables goes to the canning factory in these days. Only the second grades reach the fresh fruit and vegetable markets. But even more important is the fact that, by the time the housewife gets the fruit into her kitchen and is ready to begin the arduous canning process, the condition of the product is not right. Also, the canning process in the home kitchen cannot be conducted on scientific principles, with the cooking at the exactly proper temperature and the process lasting the correct number of minutes or hours.

Canadian Canners net profits last year were $480,372, or equivalent to $5.02 per share of preferred.

The year's range of Canners stocks and bonds follows:

	High	Low	Close
Common	21	12	20½
Preferred	73¾	60	73
Bonds	100	94	96¾

Provincial Paper Mills' Dividend 7 Per Cent.

Provincial Paper Mills definitely goes on a 7 per cent. basis with the declaration of an extra 1 per cent. dividend payable January 4, 1927. The first extra of this kind was paid last January, but the stock market was unable to decide whether this was a precedent which would be followed or if the 1926 extra was merely a concession to shareholders in view of improving business.

Evidently it is the intention to maintain the 7 per cent. rate.

Canadian Locomotive Busy

William Casey, manager of the Canadian Locomotive Co., Kingston, announces receipt of a contract for an electric locomotive for the Montreal and Southern Counties Railroad. The engine will weigh 60 tons and will be equipped with 88 h.p. motors. While eight such locomotives have been built in Montreal this is the first to be built in Kingston. Some 400 men will be required at the plant for work on this and the three locomotives recently ordered by the Alberta government. Business from the C.N.R. is anticipated.

ANTICOSTI ISLAND MAY RIVAL P.E.I. AS GULF GARDEN

Pulpwood Not the Only Resource of Anticosti Corporation's Possession

Anticosti Island, now owned by Anticosti Corporation, is the subject of an interesting study made by the Natural Resources Intelligence Service of the Department of Interior, Ottawa.

Anticosti is a large island lying off the Gaspe coast, at the inner end of the Gulf of St. Lawrence, and at the mouth of the great river. It is situated between the 49th and 50th degrees of latitude (nearly the same as that of the north of France.) It contains an area of 2,460,000 acres of land of the best quality, similar, according to such a reputable authority as the late Sir William Logan, the eminent Canadian geologist, to the fine arable soils of Ontario, and of Genesee county, New York state. It possesses over 300 miles of sea coast, is about 140 miles long, and 35 miles broad in the widest part, with an average breadth of 27½ miles.

Anticosti slopes gradually from its elevated northern coast to the grassy savannas which skirt the southern shore, and thus, in a great measure, the fertile portions of the country are protected from severe winter winds. Its climate is very healthy. The winter's cold is considerably tempered by the waters of the Gulf of St. Lawrence and the heat of the summer is, to a certain extent, moderated by the same influence. Vegetation progresses very rapidly, and crops come to perfection in good season. The soil is of good quality, being rich loam intermixed with limestone, valuable forests are to be found on the greater part of the island, and although the timber generally is not of the largest size, it is of a superior quality, and well adapted for shipbuilding and pulpwood.

Fisheries are Important

The fisheries around the island, including seal fisheries, are valuable and important.

Hunting on the island is of considerable value, though of far less economic importance than its fisheries. The animals found whose skins are of marketable value, are black bears, otters, martens, and the silver grey, red, black and, sometimes the white fox. Great quantities of ducks, geese, and other wild fowl resort to the lakes and the bays of the island. There is also understood to be a few reindeer on the island, placed there for purposes of climatizing.

A company was once formed for the purpose of colonizing Anticosti, and for working and developing its resources. They laid out a number of town sites and divided the island into twenty counties, of about 120,000 acres, each subdivided into five townships. The scheme was not a success. In 1880 the government of Canada laid a submarine telegraph cable connecting the island with the mainland, an inestimable boon to the shipping trade.

Extensive Peat Deposits

Sir William E. Logan, in his geographical report of Canada, after referring to deposits of peat, or peat-bogs, in different parts of Canada, says: "The most extensive peat deposits of Canada are found in Anticosti, along the low lowlands on the coast of the island from Heath Point to within eight or nine miles of South West Point. The thickness of the peat, as observed on the coast, was from three to ten feet, and it appears to be of an excellent quality. The height of this plain may be, on an average, fifteen feet above high water mark. and it can be easily drained and worked. Between South West Point and the west end of the island there are many peat-bogs, varying in superficies from 100 to 1,000 acres." Near South West Point there are several large salt ponds, which, if labor was abundant, might be turned to a profitable account in the manufacture of salt.

Streams of excellent water reach the sea on every part of the coast of Anticosti. They are for the most part too small to admit boats, becoming rapid immediately within their entrances and even the largest of them are barred with sand excepting for short intervals, after the spring floods, or after continued heavy rains. There are a number of good natural harbors.

Was Game Preserve

In 1886, the island was purchased as a game preserve by Mr. Menier of Paris, the famous "chocolate king," who has retained possession up to the year 1926. The syndicate now in possession is controlled jointly by the St. Maurice Valley Corporation, the Wayagamack Pulp and Paper Company and the Port Alfred Pulp and Paper Company. The new syndicate at once has proceeded to exploit the pulpwood resources of the island, which, it is estimated, will amount at least to 15,000,000 cords. About 3,000 men are now employed in forestry operations.

Thus another picturesque and detached spot passes under the hand of commerce. No doubt, as has happened elsewhere in Canada, the pulpwood operations will be followed and accompanied by colonization and agriculture, so that some day Prince Edward Island may not be the only "Garden of the Gulf."

CANADA

THE world's leader in newsprint production—manufacturing about one-third of the world's output. This basic industry is one of several now swelling the industrial prosperity of Canada, and providing many profitable opportunities for investors.

St. Lawrence Paper Mills
LIMITED
6% BONDS

The first mortgage bonds of a low operating cost newsprint Company having ample pulpwood resources and one of the most modern and efficient mills on the continent located at Three Rivers, Que.

Price to yield about 6.1/8%

NESBITT, THOMSON
and Company Limited
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa
Hamilton London, Ont. Winnipeg

541

To those interested in "THE NEWSPRINT SITUATION" and investors in general, our Complimentary Booklet:—

"A COMPARISON OF TEN LARGE NEWSPRINT PRODUCERS"

will be sent on application—

CRAIG, LUTHER & IRVINE
MEMBERS MONTREAL STOCK EXCHANGE
190 ST. JAMES STREET

ENFORCED FRUIT POOL SUGGESTED FOR B.C. GROWERS

"Bootlegging" in Fruit is Blamed for Present Situation

From Our Own Correspondent.

VANCOUVER.—Formation of an alliance of fruit growers in the Okanagan valley, carrying affiliation with Ontario and Nova Scotia orchardists, is suggested as a means of straightening out the Okanagan's marketing problems.

Marketing has always been the rock on which the Okanagan fruit-growers' co-operative ventures have foundered in the past, and while there has been a distinct improvement in conditions during the past few years it is estimated that millions of dollars are lost every year as a result of the lack of complete organization among the growers.

"Bootleggers" Given Blame

In some districts the situation is approaching a crisis, and it is declared that independents and fruit "bootleggers" have smashed the market this year, reduced profits all round and raised grave doubts about the future. The question has been put before the provincial government, which has been asked to foster the co-operative movement, and also to render assistance with respect to financing of irrigation projects.

The government has already invested $2,000,000 in irrigation work in the Okanagan, and the depression in the fruit industry is naturally causing some concern, as the government can be recompensed only through payments from the orchardists benefited who, in turn, can only keep up those payments if they prosper.

Officials of the department of agriculture do not believe that relieving the irrigation charges will have any permanent effect on conditions in the Okanagan, and emphasize the importance of building up an effective marketing organization.

May Force Co-operation

When the legislature meets this winter, one of the most important issues before it will be a bill providing for compulsory co-operation among the fruit-growers of the Okanagan. Voluntary measures appear to have failed.

While the majority of growers may be organized into a systematic sales concern, a few independents are sufficient to spoil their market by cutting prices, and "bootlegging" in fruit; that is to say, selling secretly in violation of co-operative rules, is another source of heavy loss. A compulsory pool under government protection is held out by its advocates as the one sure way of putting the fruit industry of British Columbia, already in the $5,000,000 category, on a sound financial foundation.

Say No Crisis in Fruit

Some fruit men are confident that the situation will work itself out satisfactorily anyway, and that the talk of crisis is without justification. There is not much chance of serious consequences to the growers for several years, they say, because the five-year contracts with the buying organizations do not expire until the end of 1927, and the yearly contractors, outside of the Associated Growers, are practically all agreed to sign for another term. If any independent action is taken, they point out, it will be through those growers who will undoubtedly be discarded unless the quality and grading of their apples are improved.

Taxation Blamed for Lack of "Pep"

Orillia Packet-Times

Talking to a manufacturer the other day, the writer asked him to what he ascribed the lack of "pep" which he declared characterised business. "Too much money has to be paid in taxes," was the reply. "And I wouldn't mind so much if I didn't feel that a lot of it is wasted." Estimates as to the amount of the gross revenues of the people of Canada required to meet taxation vary from 18 to 25 per cent. To reduce this huge proportion should be one of the first objects of our ruling bodies. As The Financial Post says: "When one day's work in six does not suffice to meet the tax collectors' bill, genuine prosperity of the larger sort will be slow in coming."

Harvester Plant at Capacity

The International Harvester Co., Hamilton, are running at full capacity, with 3,600 people on the payroll as compared with only a few last year at this time. The plant is producing material for shipment to export markets in South America, South Africa and Australia.

The management and staff of Gotfredson, send to you and those associated with you, Sincere Greetings for Christmas and the New Year.

Gotfredson Corporation Limited
Toronto - Montreal —WALKERVILLLE, ONTARIO— Winnipeg - Vancouver

REPORT REVEALS BRIDGE EARNED $6.75 PER SHARE

Dominion Engineering Subsidiary Pays Three Per Cent.

From Our Own Correspondent

MONTREAL. — The distinct improvement in construction throughout Canada showed itself in the annual statement of Dominion Bridge. Profits for the year to October 30, amounting to $572,750 were seven times the 1925 figure. Net profits were equivalent to 6.75 per cent. on the stock.

Co-incident with the publication of this satisfactory statement by "Bridge" came the announcement of a dividend of 3 per cent. by Dominion Engineering Works. As Bridge owns 57 per cent. of the stock it is the chief beneficiary under the dividend.

There is outstanding 22,233 shares of Dominion Engineering capital stock, and the 3 per cent. declaration amounts to $66,699. Bridge's 57 per cent. of this amounts to $38,018, and is equal to 58 cents per share on the 65,000 shares outstanding of capital stock of Dominion Bridge.

At 40 per share for Dominion Engineering, the approximate present market price, the Bridge equity is equal to $1,775,480, while in the last balance sheet issued by the Bridge Company total investments in other companies was shown at only $1,601,821.

A further improvement of the company's strong working capital position is shown, excess of current assets over current liabilities standing at $4,800,495, as compared with $3,696,233 in the preceding report. Among the assets in the balance, amount due for work is shown higher by over $750,000.

The profit and loss figures of the past three years compare as follows:

	1926	1925	1924
Op. profits	$572,750	$ 82,076	$398,206
Deprec.	133,679	135,212	134,386
Net profits	$439,071	x$53,136	$263,820
Dividend	260,000	260,000	260,000
Surplus	$179,071	z$313,136	$3,820
Prev. surp.	2,920,788	3,233,924	3,230,103
P. & L. bal.	$3,099,859	$2,920,788	$3,233,924
P.C. on stock	6.75	Nil	4.05

xLoss. zDeficit.

Working Capital Position

	1926	1925	1924
Curr. assets	$5,856,616	$5,120,700	$4,946,187
Curr. liabs.	1,776,121	1,423,466	806,240
Work. cap.	$4,080,495	$3,696,233	$4,139,947

In his remarks to shareholders, the president, G. H. Duggan, says in part:

"The plants of your company have been well maintained and the special equipment required for the fabrication of the South Shore Bridge is well advanced.

"The stocks of raw material and manufacturing supplies are well assorted and saleable; the inventories for these have been taken at conservative prices.

"There has been a marked improvement in business, reflected in the earnings, which show a surplus of $179,070.43 after payment of the dividend of 4 per cent., compared with a deficit last year of $313,000, a total improvement of some $492,000.

"The year closed with a good volume of work on hand and it is hoped that present conditions will continue throughout the current year."

Canadian Securities On Auction Blocks

At recent auction sales in various American cities there have been numerous sales of securities of interest to Canadian investors. Some such transactions follow:

Quantity	Security	Price
563 shares	Can. Ferro Alloys	$5 lot
1,800 shares	Cr. Reserve Mining	$1,500 lot
200 shares	Dry Ice of America, com.	15
100 shares	Cobalt Silver Queen	$2 lot
1,265 shares	Canadian Fair. Morse, common	$6,500 lot
1,575 shares	Canadian Fairbanks Morse, common	8,000 lot
$60,000	Allied Packers, 20 yr. debs., 1939	62¼
15,000 roubles	Imperial Russian Govt., 5½ per cent, 1927 (1917 and subsequent coupons attached).	$300
500 shares	Apex Mines	2½
1,000 shares	Night Hawk	4c
200 shares	Great Lakes Oil Pref. with 200 shares of common	72
2,000	N. S. Steel & Coal, 1st, 5s, 1959	58 flat

xTogether with 5 shares Tarsden Acroplanes.

D. J. McDougald J. B. McArthur
Government, Municipal and Corporation
BONDS
D. J. McDougald & Co.
Trusts and Guarantee Bldg.,
302 BAY STREET. ELGIN 2278
The Partners Personally Advise as to Investments.

A.J.Pattison, Jr. & Co.
MEMBERS
Toronto Stock Exchange
Montreal Stock Exchange
Montreal Curb Market
Specialists Unlisted Bonds and Stocks
219 Bay Street, (Ground Floor) Toronto Elgin: 5101-5102-5103 5104-5105-5106

ALCO-METER SERVICE
tells you exactly how much
MAPLE LEAF ANTI-FREEZE
you require in the radiator of your car, truck or tractor, to keep it from freezing.
Sold at all leading garages, service and filling stations.
TRADE MARK
CANADIAN INDUSTRIAL ALCOHOL CO., LIMITED
Distributing Warehouses
Montreal, Toronto, Winnipeg, Vancouver

Canada Creosoting Takes Over Vancouver Firm

Americans who have controlled the Vancouver Cresoting Company since its inception in 1916, have disposed of their stock to the Dominion Tar & Chemical Co., and Messrs. Burt, Boulton & Haywood, of London, England, who, besides numerous other activities, control the Canada Creosoting Company and the Alexander Murray Company, both of Montreal.

The Vancouver concern will continue to operate as a separate company under the direction of the Canada Creosoting Company, who have taken over the shares.

ALCOHOL HAS PROFITS TO MEET ALL DIVIDENDS

With Stock Bonus Added, Earnings Are Still Sufficient

From Our Own Correspondent.

MONTREAL.—The Canadian Industrial Alcohol Company has declared a 20 per cent. stock bonus payable on January 15 next, to shareholders of record December 31. The new stock will rank for dividends for the first quarter of 1927.

At the annual meeting of shareholders of the company, Lord Shaughnessy, the president, had many interesting things to say, the chief of which was the position of the company regarding the acquisition of the Hiram Walker Company. The president said that this matter had been examined exhaustively and that unfortunately no plans had been arrived at which would be considered satisfactory. The president stressed the fact that the sale of industrial alcohol is only in its infancy. He pointed to the new uses which are being found for alcohol, such as a motor fuel and as a base for lacquers; these as time goes on should show a great increase. He also informed the shareholders that the first quarter of the current fiscal year showed a greater profit than the first quarter of last year.

Canadian Industrial Alcohol now has outstanding 800,000 shares of no par value; the stock dividend means that the shares outstanding will be increased to 960,000. Thus, there will remain 540,000 shares in the treasury to provide for future expansion.

At the current dividend rate of $1.28 a year, the dividend requirements in 1927 will be 1,288,800 a scompared with $1,024,000 in 1926. The profits for the fiscal year ended September 30, 1926, were $2,109,851.

As profits have increased this year already, it is evident that the company will find it easy to meet the dividend requirements on the enlarged amount of issued stock.

National Trust Offers $750,000 New Stock

Following the recent brief announcement that the shares of the National Trust Company would be increased from $2,250,000 to $3,000,000 by offering to shareholders 7,500 new shares (at present authorized but not issued) of par value, $100 each, at a price of $175, W. E. Rundle, general manager, has mailed a letter to shareholders giving details of the offering.

In commenting on the increase in capital, Mr. Rundle says that the business of the company has been increasing rapidly, the assets now under its administration amounting to approximately $150,000,000. The letter is as follows: "Shareholders of record on the books of the company at the close of the business on Jan. 15, 1927, will be entitled to subscribe for the new shares in the proportion of one new share for every three old shares. Payments for the new shares are to be made as follows: $25 per share on Feb. 1, 1927; $50 per share on April 1, 1927; $50 per share on June 1, 1927; $50 per share on Aug. 1, 1927."

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo-Ft. Erie Bdge 7s '55	107	108
Do. 8s '45	106	107½
Buff Gen Elec 1st 5s '39	103	...
Do. ref. 5s '39	103	...
Bfo N & E Pow 5s '30	99¾	100¾
Lockport L H & P 5½s, '54	102	104
Niag Falls Pow ref. 6s '32	105	106
Do. 1st & con 6s 1950	105	106
STOCKS		
Buff Niag & E Pow	28	29
Do. pf.	25½	26
Niagara Falls Pow. pf.	28¼	29
Niag. Lock & Ont. pf.	113	114½

Gunn's Upheld in Move To Save on Income Tax

Although Gunn's, Limited, admitted that the saving of income tax was one of the reasons for moving their head office from Toronto to Harriston, nevertheless the move was held to be quite legal, by a finding of the Ontario Railway Board this week. Nominally, Gunn's moved their head office to Harriston in 1924, although still carrying on the business of the company from Toronto office. The city of Toronto attempted to collect income tax from the company, and although upheld in this by the Court of Revision, this decision was reversed a short time ago in a higher court. The finding of the railway board confirms this decision and declares that as the company has complied with the legal requirements of the Ontario Companies Act, it cannot be assessed for income tax in Toronto.

Stock Market Record

WEEK ENDING DECEMBER 21

	Div. Rate	Yield Dec. 20	High for wk.	Low for wk.	Close Dec. 21	Close Dec. 14	Sales for wk.	Range, 1926 High	Range, 1926 Low
Banks—									
Commerce	12+1	5.67	228¾	222	228	222	165	228¾	214
Dominion	12+1	6.09	217	212	214	213	140	219	207
Can. Nationale	10	6.30	160½	158½	160½	158½	27	170	157
Imperial	12+1	6.09	213½	211½	213½	211½	112	215½	200
Montreal	12+2	5.13	272½	270½	272	272	428	275	251
Nova Scotia	16	5.40	296	292	296	300	31	300	281
Royal	12+2	5.31	264	260	264	260	161	270	248
Standard	12	6.25	192	192	192	192	25	200	189½
Toronto	12	5.30	227½	222	227½	220	164	227½	213
Paper—									
Abitibi, com. (no par)	5	5.55	92	87½	88¼	88½	6021	98	70¼
Do. pref.	7	6.11	114½	114½	114½	114½	9	116	106¾
Belgo-Can., pref.	7	6.93	101	100¼	101	100½	300	102½	95¾
Brompton (no par)	50c	...	38	35½	36½	35¾	5913	38¾	26
Laurentide	6	5.28	118¼	109¾	112½	113¾	40828	118¼	81½
Price Bros., com.	2	3.03	70	65	65	68	841	76¾	57
Do. pref.	6½	6.43	101½	100⅜	100⅜	103	520	103½	95
Prov. Paper, com.	6+1	6.08	114½	113½	114½	115	20	115	100
Do. pref.	7	6.71	104¼	104¼	104¼	107	5	107	100
Smith, Howard, com.	.	...	64	63	63	62	140	67	38
Do. pref.	8	7.65	105	104½	104½	104½	40	105½	92¾
Span. River, com.	7	6.69	105¼	103	103	101¾	1590	114¾	96½
Do. pref.	7	6.08	116½	114	114	114	632	120	108
Wayagamack	.	...	..	...	...	...	...	118¼	54
Do., new (no par)	75c	...	57	54	55¼	54	1545	59½	52
Steel and Steel Industries—									
B.E. Steel, com.	.	...	⅞	¾	⅞	¾	185	3½	¼
Do. 1st pref.	.	...	18	18	18	19½	5	30	9
Do. 2nd pref.	.	...	2⅞	2¾	2¾	2¾	1665	10¾	1
Can. Car & Found., com.	.	...	45	39½	41	39	1415	49	33
Do. pref.	7	7.88	89	86	88	85½	3377	89	73
Can. Fairbanks, pref.	.	...	..	...	...	...	...	60	60
Can. Forgings, com.	.	...	..	...	...	...	...	17	8
Do. pref.	.	...	70	66	70	65	45	70	41½
C.G.E., com. (par $50)	.	...	..	...	...	...	...	53	47
Do. pref. (par $50)	7	6.14	57½	56⅛	56⅛	58	52	60	53½
Can. Locomotive, com.	.	...	..	...	...	...	...	42	35
Do. pref.	7	8.09	..	...	...	...	...	89½	73
Canada Iron, com.	.	...	..	...	...	...	...	10	9
Do. pref.	.	...	..	...	...	...	...	42½	39
Dominion Coal	.	...	..	...	...	...	...	72½	40
Dominion Iron, pref.	.	...	..	...	...	...	...	24¾	5
Dominion Bridge	4+2	5.35	114½	112⅛	112⅛	113½	1625	115⅝	80
Dom. Radiator, pref.	7	6.86	..	...	...	...	...	103½	100¼
Dom. Steel Corp., pref.	.	...	21½	21½	21½	22	25	26	10⅝
Gould Pumps, pref.	7	7.00	100	100	100	100¼	50	100¼	100
Ford Motor	10	...	..	...	...	...	...	622	500
McKin. Ind. c. (no par)	.	...	20	20	20	21	20	31½	15
Do. pref.	7	7.36	..	...	...	...	...	97½	87
Do., Voting Trust	.	...	..	...	...	...	...	30¾	19⅞
Kelvinator, com.	.	...	12	10	11½	12	100	24¼	10
Do., pref.	7	8.04	87	87	87	89½	5	95¾	88
Massey-Harris, com.	.	...	71	68½	70	68½	2365	73	40
Do. pref.	7	6.82	103	102	103	103	52	103	93
N.S. Steel, pref.	.	...	..	...	...	...	...	25	20
Ontario Steel, com.	4+1	6.80	..	...	...	...	...	78½	60
Do. pref.	7	7.00	..	...	...	...	...	103	98
Russell Motor, com.	1¼	...	50	50	50	50	20	50	39
Do. pref.	7	7.60	92	92	92	92	35	93	76
Sawyer-Massey, pref.	.	...	..	...	...	...	...	13	5
Steel of Canada, com.	7	5.88	120	115	119½	115	1961	120	95⅛
Do. pref.	7	5.60	125	122	125	124	209	125	114
Milling and Foodstuffs—									
Arnolds, com. (no par)	.	...	20	19½	20	20	395	26⅝	18
Do. pref.	7	8.14	86	86	86	83¾	25	92	83
Atlantic Sugar, com.	.	...	30⅞	29	29	31	2765	32⅞	21½
Do. pref.	.	...	92	90	90	92½	35	93	75
B.C. Fishing	5	4.60	108½	97	98	97½	23413	108½	57¼
Can. Bread, c. (no par)	$2.50	2.66	94	92¾	94	90	355	95	53
Do. pref. (A)	7	6.42	110¼	109	109	111½	61	112	105
Do. pref. (B)	7	6.73	104	104	104	105	30	107	96¼
Can. Canners, com.	.	...	21	14½	20½	15	1042	21	12
Do. pref.	4	5.47	73	71¾	73	73	1125	73¾	60
Canadian Salt	8	6.29	..	...	...	...	...	145	125
Christie Brown (no par)	.	...	..	...	...	...	...	63½	31
Can. Bak., c. (no par)	.	...	34	34	34	34½	15	37¾	26¼
Do. pref.	7	7.00	100	100	100	100	15	100	92
City Dairy, c. (par $25)	12+1	4.05	80¾	80	80¼	83	320	85	65½
Do. pref.	7	6.08	115	115	115	116	25	116	107
Cuban Can. Sugar, com.	.	...	5	5	5	6	30	6	3
Do. pref.	.	...	32	32	32	35	50	37	21
Dom. Stores (no par)	$2.40	3.58	69	67	67¼	68	225	70¼	56
Wm. Davies (A)	.	...	32¾	31½	31⅞	32¾	290	37¼	27½
Do. (B) (no par)	.	...	..	...	...	...	...	12	10
Inter. Milling, pref.	7	6.73	104	104	104	104	60	106	98½
Lake of Woods, com.	12	7.50	..	...	...	...	...	175	139
Do. pref.	7	6.08	115	115	115	116	15	118	115
Loblaw, com.	$1.00	2.32	43½	42	43½	42	61	55	29¾
Do. pref.	7	6.66	..	...	...	...	...	105	100½
Maple Leaf Mill, com.	.	...	72	69	71	70	175	88	50⅛
Do. pref.	7	7.03	100	99½	99½	100	43	102	90
Ogilvie Flour, com.	5	2.46	203	200	203	200	165	203	165½
Do. pref.	7	5.78	123	121	123	122	20	125	117
Pure Gold Mfg. (no par)	50c	4.00	20	20	20	20	32	23½	17½
Shred. Wh. (no par)	75c	5.12	58¾	57	58½	56	715	59	47½
St. Law. Flour, com.	.	...	..	...	...	...	...	45	26
Do. pref.	7	8.80	79½	79½	79½	79½	25	84	79¼
Viau Biscuits, com.	.	...	25¼	24½	25	24½	217	28	18
Do. pref.	7	8.14	86	86	86	87	65	89	85
Western Groc., c. (new)	.	....	28	26	28	26	50	34½	24
Do. pref. (new)	7	9.09	..	...	...	...	...	80	62
Do. com. (old)	.	...	..	...	...	...	...	13¼	3¾
West. Can. Flour, com.	$1.40	5.83	24	24	24	24	65	25	18
Do. pref.	6½	6.50	..	...	...	...	...	100½	97¾
Utilities—									
Bell Telephone	8	5.61	142½	139½	142	140	502	142½	136
Calgary Power	.	...	..	...	...	...	...	52½	50⅞
Consumers Gas	10	5.79	172½	171½	172	173½	72	183⅞	170
Inter. Util. (A) (no par)	87½c	...	..	...	...	...	...	38½	29½
Cedar Rapids	.	...	..	...	...	...	...	50	40
East Koot. Power	.	...	..	...	...	...	...	33	25
Jamaica Pub. Ser., pref.	7	7.14	98	98	98	98	20	99¼	96
Laurentide Power	5	4.16	120	120	120	120	26	130	100
Mackay, com.	7	5.22	134	125	130	126¾	221	138½	121¼
Do. pref.	4	5.63	71¼	70½	71	71	219	73½	68¾
Mexican Light, com.	.	...	..	...	...	...	...	33	29
Do. pref.	.	...	..	...	...	...	...	86	64
Mont. L. H. & Pr., com.	2	2.87	71	68¼	69	70	3753	75	59
Do. pref.	.	...	..	...	...	...	...	50½	48½
Mont. Teleg. (par $40)	8	6.40	50	50	50	51	15	51½	47
Ottawa & Hull Pr., com.	.	...	..	...	...	...	...	30¾	25
Do. pref.	7	7.21	97	97	97	97	10	97	97
Ottawa L. H. & Pr., com.	6	6.12	100	98	99	100	16	100	92
Do. pref.	6½	6.31	101⅝	101	101⅝	103	26	105½	100
Quebec Power, com.	6	3.15	193	190	190	192	366	200	118
Do. pref.	7	3.70	191	189	189	188½	234	200	109½
Shawinigan	8	2.98	271	267	268	267½	916	275½	167½
South. Can. Pr., com.	2	2.24	91	89	90	89	68	98	81
Do. pref.	6	5.88	102¼	102	102	102	106	104½	99
Transportation—									
Can. Pacific Rly.	10	6.00	168⅞	164½	168½	164½	162	169	147
Can. Steamships, com.	.	...	..	...	...	...	...	33¼	11
Do. pref.	.	...	..	...	...	...	...	96⅛	56
Do. voting	.	...	30	29¾	30	28¾	350	31¼	11
Do. com. (new)	.	...	32⅝	29¾	32½	30	640	32⅝	29½
Do. pref. (new)	.	...	77¾	76	77	75½	1527	80	75
Tractions—									
Barcelona (par $50)	.	...	32¾	32	32¾	33	35	40½	26
Brazilian, com.	5	4.75	107¾	103⅛	108½	105¾	23045	123½	80
Do. pref.	6	5.76	104	104	104	104½	135	108	97½
Detroit Un. Rly.	.	...	1½	1	1	2	75	3½	1
Duluth-Superior	.	...	25	25	25	25	10	33¼	25
Illinois Traction, pref.	6	6.00	..	...	...	...	...	100½	96¼
Montreal Trams	10	5.91	169	168	169	169	215	190	159
Do., Rights	.	...	..	...	...	...	...	12½	9
Ottawa Traction	4+1	...	..	...	...	...	...	74¼	60
Porto Rico Rlys., com.	.	...	56	56	56	56	768	56	40
Do. pref.	7	7.60	92	92	92	94	44	94⅛	85½
Twin City, com.	5	8.13	63¼	60	60½	64	636	79½	58
Do. pref.	7	6.93	..	...	...	...	...	103	101
Winnipeg Elec., com.	1	...	63⅝	62	62¼	63¾	1693	64	45¼
Do. pref.	7	7.00	103½	100	100	103	55	104	95
Textiles—									
Can. Conn. Cotton, pref.	4	...	35	35	35	35	40	49	35
Can. Converters	7	7.00	101	100	100	101	250	104	90
Can. Cotton, com.	8	6.80	117½	117	117½	117½	30	124	113
Do. pref.	6	6.31	95	95	95	95	25	99½	92½
Can. Woollens, com.	.	...	6½	5	5	6	12	8	4
Do. pref.	.	...	60¼	59¾	60⅛	52½	60	60¼	45
Cosmos Imp., com.	.	...	16	15	15½	15¾	401	16½	14¾
Do. pref.	.	...	93¼	92½	92½	92½	55	93½	92½
Dom. Textile, com.	5	4.87	102½	100	102	102	755	103	89
Do. pref.	7	5.83	..	...	...	...	...	122	115
Monarch Knitting, pref.	.	...	60	60	60	55	5	60	30
Montreal Cottons, com.	6	5.55	110⅛	108	101⅛	108	13	115½	102
Do. pref.	7	6.08	115	115	115	115	3	115½	110
Penmans, com.	8	4.32	186	184½	185	182	100	191	173
Do. pref.	6	5.94	101	101	101	102	4	104½	100¼
Wabasso Cotton	4	4.16	96	96	96	98¼	50	100	60
General Industrials—									
Amer. Sales, c. (par $20)	4	5.71	72½	69	69	69¾	741	72½	54
Do. pref.	7	7.17	98	97	97⅜	98	70	98	92
Asbestos Corp., com.	.	...	24¾	23¼	24¾	23½	3859	25¾	16½
Do. pref.	7	8.14	87	82⅝	86	82½	4575	87	62
Burt, F. N., com.	12	4.91	61¾	58¾	59½	59	2685	67½	50
Do. pref.	7	3.33	..	...	...	...	...	210⅛	210⅛
Building Products, pref.	7	7.48	91¼	91¼	91¼	93½	10	94	83
Brant Cd., pf. (par $25)	8	8.69	24	23	23	24½	221	27½	23
Canada Cement, com.	6	5.05	120½	118½	119½	117	499	124	98
Do. pref.	7	5.98	117¾	117	117	117¾	111	120	113
Dom. Rubber, pref.	7	...	..	...	...	...	...	87½	80
Can. Ind. Alc. (no par)	$1.28+20	4.00	34⅞	29⅞	30½	33	74476	34⅞	16¼
Crow's Nest Coal	6	8.69	69	66	69	64½	113	85	51
Dom. Glass, com.	7	7.08	100½	97	97	97	1597	105	81
Do. pref.	7	6.43	112	108¾	108¾	112	40	113	103
East Theat., c. (par $25)	.	...	25	25	25	25	10	30	18¾
Do. pref.	7	7.44	..	...	...	...	...	95	83
Famous Players, com.	.	...	..	...	...	...	...	21	11
Do. pref.	8	8.60	94	93	94	93½	115	94½	88
Gilman, com.	6	4.91	..	...	...	...	...	127½	104½
Do. pref.	7	5.38	..	...	...	...	...	131	113½
Goodyear Tire, pref.	7+3½	7.33	95⅞	95	95½	97¼	113	99¼	85
Holt Renfrew, pref.	7+3½	7.60	92	92	92	89	10	92	84½
King Ed. Hotel	.	...	..	...	...	...	...	41	25
Loew's, com.	.	...	..	...	...	...	...	40	36
Do. pref.	.	...	98	98	98	98	26	98	90
Lyall Construction	.	...	38¾	36	38¾	35½	240	48	20
Nat. Brew. c. (par $25)	4	6.06	66¼	65½	66	67½	1353	72	56
Do. pref.	7	6.60	..	...	...	...	...	110	101¾
National Brick, com.	.	...	10	10	10	8	300	12½	8
Do. pref.	7		..	...	...	...	...	72	60
Pacific Burt, com.	6	6.66	90	90	90	92½	52	110	90
Do. pref.	7	6.48	108	108	108	106½	10	110	102
Page Hersey, com.	75c	5.19	58⅞	57¼	57¼	59⅛	460	59½	43
Do. pref.	$1.75	5.83	120	119	119¼	119¼	299	120	100½
Port Hope San., com.	3	2.45	122	122	122	122	30	130	74½
Do. pref.	7	6.60	..	...	...	...	...	106	99
Rogers, Wm., com.	.	...	70	70	70	70	20	70	45
Do. pref.	7	7.48	93½	93½	93½	99	8	100	90
Sher.-Williams, com.	6	4.26	145	139½	145	142	175	148½	125
Do. pref.	7	5.93	118	114	114	119	21	120½	110½
Sterling Coal	4	...	37	37	37	38	30	43	36
Tooke Bros., com.	.	...	..	...	...	...	...	8	8
Do. pref.	.	...	84½	84½	84½	82	35	84½	56
Tuckett Tobacco, com.	4	4.88	..	...	...	...	...	73	58
Do. pref.	7	6.73	104½	103¾	104	105	90	105¾	100
Woods Mfg., com.	.	...	47	47	47	47	60	48	38
Do. pref.	7	8.04	..	...	...	...	...	90	77¾
Standard Chem., pref.	.	...	..	...	...	...	...	9	9
Trust and Loan—									
Central Canada	12+8	...	..	...	..	...	...	210	210
Can. Landed (par $50)	10+1	5.91	93	92¾	93	96	31	100	90
Can. Permanent	12	5.55	216	216	216	212	11	216	202¼
Colonial Invest.	6	...	..	...	...	...	...	7	4
Huron & Erie	7+½	5.45	..	...	...	...	...	137½	127½
Landed Banking	9	5.66	..	...	...	...	...	159	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	4.97	..	...	...	...	...	245	232½
Ontario Loan (par $50)	11	5.00	...	...	...	...	...	110	103½
Real Esate Loan	7	7.60	..	...	...	...	...	92⅛	83
Toronto Gen. Trusts	12	5.45	228	220	220	228	49	225	220
Toronto Mtge. (par $50)	10+1	5.61	..	...	...	...	...	100	93½
Union Trust	7	6.79	..	...	...	...	...	105	98

THE CURB MARKET

	Div. Rate	Yield Dec. 20	High for wk.	Low for wk.	Close Dec. 21	Close Dec. 14	Sales for wk.	Range, 1926 High	Range, 1926 Low
Andes Pete	.	...	..	...	...	...	...	6⅝	6⅝
Attendu Eng.	.	...	39	35¾	38⅜	37	2588	48¾	7
Beacon Oil	.	...	18	17½	17½	18	220	19½	14¼
Belding, pref.	7	6.86	..	...	...	...	...	102½	92½
Brit. Amer. Oil (par $25)	10	2.94	86	80	82	80	11793	86	47
Do. new	.	...	22	21	21	...	3934	22	21
Brew. & Distillers	.	...	4⅝	4⅜	4½	4⅝	1700	5¼	4¼
Can. North. Power, com.	.	...	41	41	41	43	7	43	28
Do. pref.	7	7.08	99	98¾	98¾	99	17	99	89¼
Can. Oil, com.	5	5.15	..	...	...	...	...	97	65
Do. pref.	7	5.98	117	117	117	116½	5	117	109
Cockshutt, pref.	.	...	83⅞	73	76½	73½	2156	83⅞	57¼
Continental Oil	$1.00		..	...	...	...	...	26	17⅞
Cosgrave Brew. (par $10)	5	6.49	8	7¼	7⅞	8	2438	9	5
Dom. Eng.	.	...	128	128	128	131	2	135	65
Eastern Dairies	.	...	20¾	18¾	20¾	18⅝	964	20¾	15½
Dominion Power, pref.	7	...	..	...	...	...	...	101¼	101¼
Dryden Power (no par)	.	...	12	11	11⅞	11	555	12	5½
East Engineering	.	...	..	...	...	...	...	2½	1
Eng. Elec., com. (no par)	.	...	..	...	...	...	...	24½	15
Do. pref.	.	...	73	73	73	72	55	75	59½
Fraser, pref.	7	...	..	...	...	...	...	94½	94½
Good. & Worts	$1.00	2.22	46¼	39¾	43⅛	40	13525	46¼	27¼
Hamilton Dairies	.	...	24	24	24	23½	10	24½	21¾
Illinois Power, pref.	7	7.07	99	99	99	100	105	100	95
Imperial Oil	$1.25	3.29	39	37½	37¾	38	3942	39⅝	32½
Inter. Petroleum	75c	2.27	32⅞	31	32½	31½	2411	35½	29¼
Loew's, London	.	...	..	...	...	...	...	3¾	3¾
Manitoba Power	.	...	51½	49	49	51	371	53	24
McColl Oil, com.	80c	...	24½	24	24	24¼	309	25	18⅞
Do. pref.	7	7.03	99½	99½	99½	99½	7	99½	95
Newsprint Co.	.	...	..	...	...	...	...	27	18
North. St. Oil, c. (par $5)	.	...	..	...	...	...	...	1.25	.75
Do. pref.	7	...	..	...	...	...	...	490	450
Nor. Mex. Pr., com.	1	...	48¼	42	42	41	1227	55	40
Do. pref.	7	...	..	...	...	...	...	85	80
N.S. Car, com.	.	...	12	12	12	12	100	15	7½
Ottawa Mont., Pr., com.	.	...	20	20	20	19	15	20	18
Do. pref.	.	...	20	20	...	...	...	48½	48
Ottawa River Pr.	.	...	..	...	...	...	...	25	25
Paton Mfg., com.	.	...	..	...	...	...	...	55	50
Do. pref.	.	...	..	...	...	...	...	100	75
Power Corp. (no par)	.	...	27¾	27⅜	27⅝	27⅜	970	28¼	22
Do. pref.	6	6.45	93	93	93	93	4	95½	92
Pressed Metals	.	...	30	30	30	30	25	40	30
Seagram	.	...	17¾	16	17	17⅛	11810	18	14½
Simpson, Robt., pref.	6	6.03	..	...	...	...	...	102	99
St. Law. Pap., c. (no par)	.	...	53	52	53	53	151	60½	35
Do. pref.	8	7.47	..	...	...	...	...	109½	103¾
Sovereign Secs.	.	...	205	200	200	190	200	2.05	1.50
St. Maurice Pr.	.	...	99	98	98	99	7	101	72½
St. Maurice Valley	.	...	58	58	58	59	210	65	40
Toronto R.S.	.	...	..	...	...	...	...	1.95	1.10
Un. Secs., com.	.	...	50	50	50	52	26	65	50
Do. pref.	6	5.66	106	106	106	106	59	106	102
Volcanic Oil	63c	...	37½	37	37	37	626	38	26

Christmas Trump

Diamonds are your Christmas trump.

They are your highest play in your longest and strongest suit. Lead a diamond and watch it take your partner's heart.

The rules of the Christmas game are simple and complete. Finesse a diamond, double your partner's joy in receiving and redouble your own satisfaction in giving.

To assist you may we suggest an exquisite ring, containing a canary diamond set in platinum, supported by two beautifully cut pear-shaped diamonds? Here is a gift to capture a heart and hold it for ever.

There are other gifts in the Ryrie-Birks diamond department no less compelling than this one. You are invited to come in and make an early inspection of our diamond show-cases.

Open till 6 p.m. from now until Christmas.

Ryrie-Birks
Diamond Merchants
Yonge and Temperance

Pulp & Paper

B.C. EXPECTS BIG NEW PAPER MILL SOON TO PROCEED

Government Plans to Protect Present and Future Timber Users

While Eastern interests associated with the proposed Prince George, B.C., newsprint will state that early work on the project is unlikely, the British Columbia government is apparently hopeful of early completion of the work.

Victoria dispatches state:

"Having reached a thoroughly satisfactory agreement with rich Eastern Canadian interests which are planning the establishment of a gigantic pulp and paper industry near Prince George, the lands department is awaiting word that the scheme is going ahead without further delay. The project is expected to involve $30,000,000.

"In anticipation that the new industry will become an accomplished fact in the near future, Hon. T. D. Pattullo, minister of lands, is arranging now to protect the interests of other companies which are operating near Prince George and which are anxious that the big eastern concern shall not gain control of timber needed in their business. After talking the whole situation over with the Prince George lumberman here recently Mr. Pattullo announced that he was taking steps to protect their industries.

No Monopoly on Timber

"We are endeavoring," he said, "to arrange the disposal of the timber in the district so that all interests may be protected and satisfied.

"At my recent conference with a representative of the interests which propose to establish a big paper industry in the north we reached a complete basis of accord. As far as the department is concerned, it is prepared to put into effect the arrangements then agreed upon so that the matter is entirely up to the company now."

Million Already Has Been Spent

"Lands department officials are confident the eastern syndicate will go ahead with its project as proposed. The fact that it already has invested something over $1,000,000 in pulp timber in the Prince George district indicates that it will not abandon its plans.

"Establishment of the proposed mill near Prince George will mark the biggest industrial development in the history of the central northern interior and will add about 3,000 people to the population of Prince George immediately. In addition, it will stimulate agriculture and settlement in surrounding districts by creating a big local market."

Slight Decline in Output of Newsprint Last Month

From Our Own Correspondent

MONTREAL.—The output of both the Canadian and the U. S. newsprint mills declined slightly during the month of November as compared with October. The output of both countries in October amounted to 311,648 tons as against 305,225 tons in November. The U. S. production fell off 2,500 tons during the month and the Canadian production 3,600 tons.

Although there was a slight decline in production, the stocks of newsprint at the mills in both Canada and the United States were lower than they have been for years, and amounted to only 26,163 tons. Shipments during the month were larger than actual production, indicating that at the close of November the demand was considerably more than meeting the production.

The Canadian newsprint mills are finding wider markets for their output overseas, and in October, 1926, shipped 12,569 tons abroad as compared with 5,402 tons in the same month of 1925.

Some Aspects of Maritime Problems

(Continued from page 3)

Broadly speaking, the duty remained at these figures until 1925, when a strong deputation from the Maritime Provinces succeeded in having the duty on bituminous slack increased to 50 cents, but offsetting this, the province was compelled to accept a further reduction on bituminous round.

Duties All Lower Now

Thus, to-day, the duty on coal is lower than it was in 1880, nearly 50 years ago. Yet, in the intervening half century the value of coal increased enormously. One example will suffice. In 1897 pit head cost of coal in Nova Scotia was 75 cents a ton. By 1924 it was $4. During the same period, the sales prices in the United States at the pit head had increased from 81 cents to over $3. During the whole period the Canadian duty on coal did not increase but declined. Thus, this specific duty has decreased on an ad valorem basis from 65 per cent. to 17 per cent. of the United States sales price. But a specific duty for the purpose of protection is of little use unless it is established on an ad valorem basis.

Cape Breton claims, therefore, that it is clear that in our tariff policy the needs of Nova Scotia have not been considered. Regarding this situation, Nova Scotians simply say that central Canada wanted cheaper coal and steel; as a result, the Nova Scotia enterprises were allowed to languish, whereas many central Canadian enterprises prosper due to tariff protection, or tariff regulation.

Has It Been Hard?

Therefore, is it not fair to state that compared with the treatment afforded industries elsewhere in this country, the Nova Scotia coal and steel industry has had rather a hard deal? More especially when it is remembered that those industries support anywhere from a fifth to a quarter of the population of that province.

And here let me interject a word or two about the British Empire Steel Corporation, for Besco is really nothing else than the Nova Scotian coal and steel industry. The corporation produces all the province's output of steel and all but a fractional part of its output of coal.

I know that there will be many here who feel that the present plight of these industries is due to nothing other than the management, perhaps also there are some who have listened to gossip instead of studying the Besco situation for themselves, obtaining the facts and drawing their own conclusions.

I am neither a protagonist nor antagonist of the Besco management, but I do feel that there are many things regarding this large Canadian industrial corporation which have escaped the attention which they deserve.

No Dividend Payments

Let me illustrate. I was talking to a Maritime newspaper man recently who immediately launched into a violent attack against Besco. He made many charges of mismanagement and stressed the fact that the corporation was grinding down its men to pay dividends on watered stock. I pointed out that Besco had never paid a dividend since its inception except for a while in some of its first preferred shares. He then attacked the corporation because its stock was watered. Personally, I have never been able to discover just what people mean by watered stocks. I know this, though, that the holder of Besco preferred shares can only get $20 for them on the market, although he put into the company $100 cash when he bought them.

I have already pointed out the position of Besco with regard to tariffs. Now let me say a word regarding its management reiterating the fact that my personal attitude is simply that of an onlooker. I am neither a coal nor a steel man and therefore am not in a position to give an opinion regarding its operations.

No Evidence on Matter

I can give you no expert evidence to prove that Besco's operations are carried on in an efficient way, but I would like to make the point that I most certainly cannot give you any expert information which indicates that the corporation's operations are not carried on efficiently. And if anyone here to-day knows a coal or steel expert who can say how Besco's operations can be improved, I can assure you that such an expert would indeed be welcomed and would receive the closest attention from the head offices of Besco, just two or three blocks away.

The British Empire Steel Corporation came into being in May, 1920, just at a time when business in this country was on the crest of the wave.

After that came the debacle of 1920 and 1921, and it is not to be wondered at that the Nova Scotia coal and steel industries dropped into the slough of despond—a slough of despond from which they have not yet been lifted.

There is no coal operator in the world to-day who is making more than 4 per cent. on his money and by that 4 per cent. I do not include any allowance for depletion or depreciation. In other words, the coal industry throughout the world is in the doldrums. Would it be reasonable to expect that while every other coal operator is having a thin time, the British Empire Steel Corporation should be forging ahead?

Hard Economic Facts

I have made these sketchy points about Besco, not as a champion of the corporation, but simply to indicate that perhaps those who blame the present plight of Nova Scotia is part on the management of the coal and steel industries may be ignoring those hard economic facts which have, to my mind at least, contributed more than largely t the stagnation of those industries.

All this sums up in a broad way some of the major problems of the Maritime provinces and while they have been presented from the Maritime angle, yet you may find them worthy of your sympathetic consideration.

Now the report of the Royal Commission of Maritime Rights is before our parliament. It gives consideration to these problems and suggests remedies which, if carried out, would, I believe, prove entirely satisfactory to our Atlantic seaboard provinces and would probably allay all the dissatisfaction which prevails there.

The Duncan Commission makes many recommendations, only a few of which affect the national treasury. They are:

Increased subsidies to each of the three provinces: $875,000 to Nova Scotia; $600,000 to New Brunswick and $125,000 to Prince Edward Island. A portion of the revenues of all the provinces comes from the national treasury—such a recommendation, if carried out by the Government, would increase the annual expenditure under this head by $1,600,000. At the time of Confederation, such payments to all our provinces constituted a much greater proportion of the total national revenues, and the Maritimes claim that in foregoing their rights to direct taxation they have lost much which should be made up in this fashion. Furthermore, the Maritimes have never benefited through territorial acquisitions as have the other provinces in the Union.

Freight Rates Readjustment

A comparison of pre-war freight rates with those which prevail at present shows that the Maritimes rates have increased 92 per cent. as compared with an increase in the rest of Canada of 55 per cent. Therefore, the Commission has recommended a 20 per cent. reduction in Maritime rates, which as you can see, simply means that the rate of increase there will not have been any greater than that which has prevailed elsewhere.

The establishment of Federal Harbour boards has been recommended at Saint John and Halifax and some expenditures are to be made to improve the harbour facilities of Prince Edward Island. Improved ferry service to the latter province is recommended together with some betterments in its transportation system.

P. E. I. and New Brunswick have never yet had the funds available so that a systematic survey of these two provinces' natural resources might be made. The Duncan Commission recommends such an expenditure.

Finally recommendations have been made regarding the steel and coal industries, the coal tariff situation has been directed to the attention of the new Tariff Board and the need for the establishment of coke ovens, which has already been stressed by the fuel board has been re-affirmed.

To assist the steel industry the commission has recommended not a larger tariff, but bounties, which will enable the industry to compete fairly with that steel which enters duty free.

These then are a few of the principal recommendations of the Commission. Whether or not the Government will carry out these suggestions, I do not know. I have endeavored today to place before you just a few of the facts upon which these suggestions are based.

Broadly speaking, if the opinion of men such as I am now addressing favors the carrying out of the recommendations contained in the report, they will be largely put into effect and a satisfied and contented Maritimes will be the result. If the recommendations be entirely ignored, the results I, for one, would not venture to foretell.

WAYAGAMACK HAD PROSPEROUS YEAR; POSITION STRONG

Earnings Touch Record Levels and Financial Structure is Much Strengthened

From Our Own Correspondent.

MONTREAL.—With earnings from operations equal to 23.1 per cent. on its old capital or $11.55 per share on its 100,000 shares of new no par value stock, and with its working capital increased by nearly $1,000,000, the Wayagamack Pulp and Paper Company in its annual financial statement for the year ending November 30, 1926, makes a showing even better than was anticipated by the shareholders.

These earnings on the common stock have been worked out without taking into account a deduction of $500,000 from the profit and loss account, which was transferred to general reserve account. Taking this into account, the earnings on the new common stock amounted to $6.55 per share, but the deduction for general reserve account simply serves to strengthen the financial structure of the company and such earnings are applicable to the common shares.

Comparison of Figures

The following figures compare the income account and working capital position at the close of the last three fiscal years:

	1926	1925	1924
Profits	$1,350,266	$1,189,268	$ 677,509
Bond int.	397,500	336,810	300,000
Bond disc.	......	20,000	10,000
Deprec.	160,266	160,000	160,000
Deplet.	136,784	111,541	118,495
Net profit	655,982	560,915	89,014
Other profit	500,000	......	......
Total profit	1,155,982	560,915	89,014
To gen res.	500,000	......	......
From gen res.	......	223,756	......
Surplus	655,982	784,672	89,014
Prev. surp.	1,981,964	1,197,291	1,108,278
P. & L. bal.	2,637,946	1,981,964	1,197,291
P.C. on stock	2.31	11.2	1.7

The working capital:

	1926	1925	1924
Curr. assets	$3,651,824	$2,782,570	$2,777,755
Curr. liabs.	685,922	721,346	1,489,320
Net wk. cap.	2,965,902	2,061,224	1,288,435

The foregoing income account figures show profits from other sources of $500,000; doubtless, although the balance sheet does not say so, this figure represents profits accruing either from the company's subsidiary, Wayagamack News, which a year ago commenced manufacturing 200 tons of newsprint daily, or from the Anticosti Island deal. The earnings from this source have been turned back into general reserve account.

Changes in the assets include an increase in the cash account of from $80,351 at the close of 1925, to $350,175 at the present time. Accounts and bills receivable have increased by almost $200,000, and inventories are up from $1,831,361 in the last balance sheet to $2,236,175. Loans to the Wayagamack News, Limited, have increased by $315,810, and plant and limits account has increased by $56,306.

Amongst the liabilities the surplus account shows the increase in the foregoing profit and loss figures, and $500,000 makes its appearance in the general reserve account. Depreciation reserve has increased from $2,196,039 to $2,406,552. Accounts payable show a decline, and the total bonds outstanding have been reduced by $89,600, through the operation of the sinking fund.

In his address to the shareholders, C. R. Whitehead, the president of the company, points out that the one-third interest which Wayagamack holds in the Anticosti Corporation is carried in the investment account at $1, and that the pulpwood on the island is conservatively estimated at 15,000,000; the island is owned in fee simple by the subsidiary corporation.

CANADIAN CELLULOSE TO PRODUCE SOON

Howard Smith Earnings for Year Will be Satisfactory — Sales Have Grown

From Our Own Correspondent

MONTREAL.—According to information furnished The Financial Post by E. Howard Smith, Jr., the plant of the Canadian Cellulose at Cornwall will be turning out between forty and fifty tons of soda pulp by February 15 next. It is anticipated that the plant will go into operation by February 1 next, but a week or two will be required to tune up the machinery.

The Canadian Cellulose is being erected by interests close to the Howard Smith Paper Mills. E. Howard Smith, Jr., is secretary-treasurer of both companies. The Howard Smith Paper Mills owns stock in, and has a contract for the supply of soda pulp from the Canadian Cellulose. The soda pulp not absorbed by Howard Smith Paper Mills will be sold on the open market. At the present time, a good market prevails for this grade of chemical pulp.

While the initial output of the Canadian Cellulose will be between forty and fifty tons of soda pulp daily, yet its ultimate capacity is from eighty to a hundred tons of soda pulp. In order to bring the plant up to its ultimate capacity, no additions to the present building will be needed—only the additional machinery will be required.

The volume of the Howard Smith Paper Mills' export business this year has proved satisfactory and has been maintained at above 1925 level. The volume of its domestic business has also been increased and, while paper prices have sagged a little during the year, it is generally anticipated that the earnings for 1926 will be higher than those experienced in 1925.

The capitalization of the Canadian Cellulose is as follows:

7 per cent. first mortgage bonds ..	$1,000,000
7 per cent. preferred stock *	1,000,000
Common stock (no par value) ..	10,000 shares

* Non-voting and callable at 102.

While it is understood that the actual control of Canadian Cellulose is not vested in the Howard Smith Paper Mills, yet the latter company owns a large percentage of the common stock.

Mistassini Paper Co. Will Spend $6,000,000

Plans are progressing for the erection of the proposed 200-ton newsprint mill at the upper end of Lake St. John by the Mistassini Power and Paper Company. The cost of the mill in its initial stage is estimated at $6,000,000 to $6,500,000, and its capacity will probably be doubled when the time is opportune. It is expected that financing will be carried out shortly and the mill will probably be in operation by the end of 1927. The end of steel, the C.N.R. Line, is at St. Felicien, some twenty-one miles from the site of the proposed new mill, but John Stadler, who is taking an active part in the enterprise, believes that arrangements can be made for extension of the railway to the mill site by August of next year.

Brompton Will Pay Out $280,000 in Dividends

MONTREAL.—The common stock of the Brompton Pulp and Paper Company is now on a $2 annual dividend basis. A 50c. dividend was declared for the quarter ending December 31. This is the first time that shareholders have received dividends since May, 1921. The $2 dividend basis means that Brompton will distribute $280,000 annually in dividends.

The company has announced the appointment of C. R. McCort as assistant general manager. Mr. McCort has been in charge of the construction of the new newsprint plant.

PULP MILL MACHINERY
Made in Canada
Wood Barking Drums. Dayton Beaters. Log Hauls and Slashers, etc. Agitator Equipment, etc.
WILLIAM HAMILTON LIMITED
Head Office: Peterborough
VANCOUVER MONTREAL WINNIPEG

Investment Securities
Newman, Sweezey & Co.
LIMITED
136 St. James Street Montreal

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE:
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS *and* ERECTORS *of* STEEL STRUCTURES
HEAD OFFICE AND WORKS: Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS: Toronto, Ottawa and Winnipeg.
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

St. Maurice Valley Corporation
Successors to
Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.
St. Maurice Paper Company, Limited, Three Rivers, P.Q.
Yearly Output—195,000 Tons Newsprint
Head Office:
MONTREAL-QUEBEC

Abitibi Power & Paper Company
Limited
NEWSPRINT
Head Office: Montreal Mills: Iroquois Falls, Ont.

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.
Quebec Pulp and Paper Mills
Limited
Executive Office: CHICOUTIMI, P.Q.
Cable Address: "SAGUENAY, CHICOUTIMI"

The Laurentide Company
Limited
Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper
GRAND'MERE QUEBEC

FRASER COMPANIES LIMITED
EDMUNDSTON, N.B.
Lumber :-: Bleached Sulphite Pulp :-: Fine Papers

SULPHITE MILL AT EDMUNDSTON, N.B.

CUBAN CANADIAN EARNINGS LOWER IN YEAR'S REPORT

Low Price of Raw Sugar Has Been Reflected in Reduced Earnings

From Our Own Correspondent.

MONTREAL.—As raw sugar has been selling throughout the past year at below the cost of production, the annual report of the Cuban-Canadian Sugar Company for the year ending June 30, 1926, shows that the total deficit of the company has been increased from $739,721 to $825,720 and that the working capital has been reduced from $400,000 to just over $100,000.

During the year the total earnings show a reduction as compared with 1925 and the interest charges have increased. Thus net operations for the 1926 year show the loss of $16,822.

Income Account Figures

The profit and loss figures and the working capital position over the past three years compare as follows:

	1926	1925	1924
Oper. rev.	$159,734	$184,660	$684,482
Other rev.	111,248	106,032	101,616
Total rev.	$270,983	$290,692	$786,098
Interest	287,805	243,008	216,640
Misc. exp.	44,317	31,977	28,230
Depreciation	†24,859	†54,415	150,000
Bad debts	......	......	50,000
Balance	$*85,998	$*38,709	$341,228
Prev. deficit	739,722	701,013	1,042,241
P. & L. deficit	$825,720	$739,722	$701,013

†—Cane only.
*—Debit.

Working Capital

	1926	1925
Curr. assets	$1,634,801	$1,972,928
Curr. liabilities	1,519,260	1,532,240
Working capital	$ 115,541	$ 400,688

In the balance sheet, property and rolling stock accounts show an increase of some $200,000. Cash account has declined from $65,284 to $12,539. Advances have increased by some $83,000. Inventories show a decline of some $350,000 and total assets amounted to $13,560,510, a little changed from the 1925 figures.

In the liabilities, the company shows for the first time notes outstanding to the extent of $141,250 and an overdraft of $55,007. The latter is offset to a degree by the reduction in advances from $858,000 to $670,200. Bills payable account is up $140,000. Other changes in the balance sheet were of a fractional character only.

The President's Remarks

In his remarks to the shareholders, I. W. Killam, the president, sums up the position of the company and said:

"Sugar produced by your company during the year under review amounted to 255,869 bags of raw sugar, as compared with 208,210 bags during the previous crop year. This is the largest output of any year in the history of the property, and is due to increased cane supply and improvements to factory equipment and operation. Pursuant to legislation of May 3rd, 1926, the Cuban Government issued instructions to restrict the production of raw sugar. Your company, having already exceeded its allotted quota, was compelled to stop grinding on May 6th, although a large additional amount of cane was still available.

Higher Price for Sugar Stock

"The balance of sugars on hand as at June 30th, have since been liquidated at a price in excess of that at which they are carried in the balance sheet. Including these sugars, the average price obtained by the company for its output this year was 2.34 cents per pound f.o.b. Cuba.

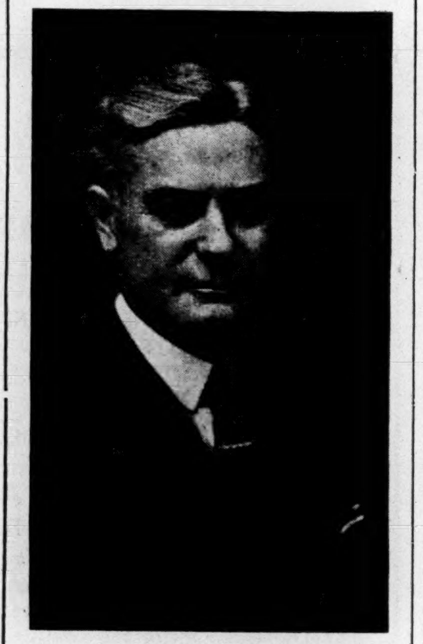
"During the year 100 additional steel cars for the transportation of cane were purchased, and all additional necessary expenditures have been made during the year to maintain the plant and equipment of the company in good operating condition.

"Allowance for depreciation on cane fields has been included in the above statement, but no provision for depreciation in respect of plant and equipment has been made.

"In accordance with the provisions of the trust deed $100,000 of the company's bonds have been retired during the current year.

"The Cuban Government, in pursuance of its policy of crop restriction during low prices for raw sugar, has ordered that grinding of the new crop shall not commence until January 1st. The market price of raw sugar has recently advanced to about 3 cents per pound f.o.b. Cuba. Results for the coming year will depend largely on the course of the sugar market, and it is hoped that the operations of the coming year will show some improvement over those of the year under review."

Telephone Executive Gets Terminal Appointment



FRANK KENNEDY
Who for the past twelve years has been manager at Toronto for the Bell Telephone Company of Canada, and for the past thirty years a well-known figure in the telephone business, has resigned his position to become general manager of the Canadian Rail and Harbor Terminals, the concern which has now in course of erection a great storage warehouse on Toronto's harbor front. In discussing it with The Financial Post, Mr. Kennedy said, "When I entered the company's service thirty years ago there were about 5,300 telephones in service in the city. To-day there are 161,000, and there is under way the vast project of conversion to automatic service. In this achievement I am proud to have had a part."

Mount Royal Hotel Changes Are Approved

From Our Own Correspondent.

MONTREAL.—Without a dissenting voice, the capital reconstruction of the Mount Royal Hotel Company received the approval of a special general meeting of shareholders held this week.

The rearrangement of the capital structure provides for cleaning up the arrears of preferred dividends. The 8 per cent. cumulative preferred stock will bear interest at 6 per cent. in the future, and the call rate will be $110, instead of $105 a share. In lieu of the $28 arrears on the preferred shares, a payment of $3 a share will be made in cash and $25 in scrip. A bonus of common stock, on the basis of one share of common for each ten shares of preferred, or $1,000 of convertible debentures, will be given. Both the preferred share and debenture holders will receive the cash, scrip and common stock bonus.

It is proposed to pay off the scrip at the rate of 5 per cent. per annum, beginning in 1930, and no dividends will be paid on the common while there is any scrip outstanding. The bonus of common stock is being given by the United Hotels Company of America, which at present owns 50 per cent. of the common shares. The new common stock will be of no par value.

At a meeting of the directors held subsequent to the shareholders' meeting, there was declared a dividend of 3 per cent. on the preferred stock of the company, payable January 5.

Dominion Bridge Bonus Augurs Well for 1927

From Our Own Correspondent.

MONTREAL.—The declaration of a 2 per cent. bonus by the Dominion Bridge Company is taken by many to mean that the stock will be definitely established on a 6 per cent basis for next year with a payment of 1½ per cent. for the first quarter. Such expectations are based on the improved business which the company is experiencing, and might also, it is thought, allow for the payment of another bonus at the close of 1927. In the meantime, it is understood that the company's subsidiary, the Dominion Engineering Works, has obtained the contract for four new newsprint machines for the Spruce Falls Paper Company. The latter is the company in which the New York Times is interested. It is said that the contract calls for the completion of the four newsprint machines early in 1928.

C. P. R. Is British Owned

MONTREAL.—E. W. Beatty, president of the Canadian Pacific Railway Company, stated recently that the control of the company is still held in the United Kingdom. Great Britain controls 52½ per cent. of the stock, and 19½ per cent. is held in Canada, making total British holdings of 72 per cent. The proportion of American holdings is 19 per cent.

CANADA CEMENT REPORT AWAITED

Company to Add Four Storeys to its Office Building in Montreal is Report Now

From Our Own Correspondent.

MONTREAL.—It is understood that the Canada Cement Company is planning to add four additional stories to its building in Montreal, where all the available space has now been occupied.

This building was constructed by the company in order to demonstrate the value of cement as a structural material for office buildings. This investment has proved an extremely satisfactory one to the company and such an addition will provide further revenues from this source.

In view of the low price at which cement is selling in the province of Quebec, the annual report of the company for the year ending December 31 is awaited with great interest; at the moment, there are no forecasts of the amount which the company will earn from its production of cement, but it is said that the forthcoming statement will show a very strong cash position, coupled with a substantial improvement in earnings from miscellaneous sources.

During the past year, there has been a large increase in the demand for cement. It is thought that the lower prices which have prevailed this year will be reflected in the company's income account. Incidentally, the company's attitude regarding the price of cement is still maintained, that is, the management will not admit that the present low prices in Quebec are in the nature of a price war. Thus, there seems to be no likelihood of bettered prices for Canada Cement's output in the near future.

Venezuelan Petroleum Added to Curb Exchange

From Our Own Correspondent.

MONTREAL.—The shares of the Venezuelan Petroleum Company have been listed on the Montreal Curb Exchange. The capitalization consists of 1,000,000 authorized shares, with 639,550 shares outstanding; they have a par value of $5. The stock was originally listed on the New York Curb two years ago, where an active market has been maintained.

The company has a royalty, or working interest in, or owns eleven concessions, totaling about 185,160 acres of partly developed oil territory in the state of Monagas, in Venezuela. Contracts have been made with two of the large oil corporations, through their subsidiaries, to operate, explore and develop this acreage on a basis which is extremely favorable to the company.

One well is producing approximately 5,000 barrels daily, and three other wells are now being drilled, two of which will shortly be in operation. The Gulf Corporation has planned to drill over fifty-two wells on the company's No. 4 concession.

Asbestos Common Dividend Has Not Been Considered

From Our Own Correspondent.

MONTREAL.—Financial Counsel, a Montreal financial bulletin service, printed an article which indicated that the Asbestos Corporation contemplated paying a dividend on its common shares. Following the publication of the article, W. G. Ross, president of the corporation, said that such a statement was without foundation and absurd, and that any such action had not been thought of, nor discussed by the directors.

The common stock of the Asbestos Corporation, therefore, is in exactly the same position as it has always been, namely, an attractive speculation for a long hold.

Attendu Engine Still Being Developed by U.S.

From Our Own Correspondent

MONTREAL.—Shareholders in the Attendu Engines, Limited, will be interested to learn that progress is being made in the development of the engine for aeronautical purposes. The report of the National Advisory Committee On Aeronautics to the U.S. Congress says that the Attendu heavy oil engine is under development by the Bureau of Aeronautics and has shown sufficient promise to warrant the consideration of the next step in the development of such an engine, namely, a multi-cylinder engine for service use.

The development of the engine by the U. S. Government has been slower perhaps than was expected, but the adoption of the engine by the U. S. government for its dirigibles would eventually mean something satisfactory in the way of royalties for the Canadian company and, in addition, would definitely establish the fact that the engine is suitable for many commercial purposes.

It is understood that the Coast Guard Department of the United States has opened negotiations leading to the purchase of some Attendu engines to be used in its service.

Eastern Securities Opens New Montreal Office

From Our Own Correspondent

MONTREAL.—The Eastern Securities has appointed A. Murray Vaughan as its representative in the province of Quebec. The new branch of the Eastern Securities is located in the Transportation Building, Montreal. Previous to joining the company in 1921, Mr. Vaughan was associated with the Royal Bank of Canada, Saint John; the Standard Bank of Canada, Toronto, and the Montreal Trust Company, Toronto. Since joining the Eastern Securities Company, he has represented his firm in the province of New Brunswick and the state of Maine.

In addition to its Montreal office, the company maintains offices in the three leading cities in the Maritime Provinces: Halifax, St. John and Charlottetown.

Eastern Dairies Growth Continued by Purchase

From Our Own Correspondent.

MONTREAL.—The Eastern Dairies continues to expand and has just acquired Moore's Model Dairy in the east end of the city of Toronto. The company now owns two dairies in Toronto, with a total of sixty retail trade routes, covering the whole of the city.

The Eastern Dairies now control two dairies in Toronto; two in Montreal; one in Ottawa, and four creameries in the Eastern Townships, and one at Eastwood, Ontario. During the past ten months sales have increased by 16 per cent.

Capital: $1,000,000
Reserve: 350,000

Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE EASTERN TRUST COMPANY
Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.
23

INVEST YOUR SAVINGS
in a 5½% DEBENTURE of
The Great West Permanent Loan Company
5½% Interest Return
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

Penmans LIMITED
Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters
MILLS AT PARIS, Ont. BRANTFORD, Ont. LONDON, Ont. WATERFORD, Ont. ALMONTE, Ont. COATICOOK, Que. and ST. HYACINTHE, Que.
General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON
Toronto and Montreal

SELLING AGENTS TO RETAIL TRADE
Edward Burns Co., Ltd., Toronto, Ont.
B. S. MacFarlane, Montreal, Que.
John J. Wilson, St. John, N.B.
Bryce & Co., Ltd., Winnipeg & Vancouver.
EXPORT REPRESENTATIVES
J. J. Jardine, St. John's, Nfld.
H. W. Airey, Ltd., Auckland, N.Z.
L. C. Carrick, Cape Town, South Africa.
Hugh Scott-Young, Melbourne, Australia.
Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, England.
W. J. Cutcliffe, London, Eng.

Canadian Appraisal Company, Ltd.
The Pioneer Appraisal Organization of Canada
Established 1905
DURING the past twenty-one years we have appraised some SIX THOUSAND properties, all within the Dominion of Canada and comprising the most representative industrial plants in every line of industry.
Correspondence Invited
Head Office - 364 University St. - Montreal
Royal Bank Building
TORONTO
NEW YORK
Equitable Building

DOMINION TEXTILE CO., LIMITED
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Made - in - Canada Cotton Fabrics, the equal of the best produced anywhere in the world.

Wabasso Cottons are Canada's best
Lawns, Nainsooks, Cambrics, Longcloths, Broadcloths, Shirtings, Pillow Cottons, etc.; fine coloured cottons, Corset Fabrics, Yarns, etc.; Wacosilke, a new fabric made from finest Wabasso combed yarns and Celanese Brand yarns combined.
THE WABASSO COTTON COMPANY, LIMITED
Three Rivers, Que.

Business That Will Not Wait
CERTAIN banking transactions call for instant action. Quick decisions must be quickly communicated.
Such occasions are well served by our private wires, which link the large business centres of Canada, the United States and Cuba.
This service is always at the disposal of our customers.
G616
The Royal Bank of Canada

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

McDougall & Cowans
Members of the Montreal Stock Exchange
130 St. James Street
STOCK BROKERS
HALIFAX SAINT JOHN, N.B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to all Branches and New York

60 YEARS OF SUCCESSFUL ENGINEERING
For three score years the John Inglis Company Limited have been designing, constructing and installing boilers, tanks, engines and pumps in power plants of all sizes and all descriptions throughout Canada.
Today, thousands of installations stand forth demonstrating daily their ability to give long and high grade service at a truly low cost of upkeep.
Our consulting board will, without obligation, be glad to discuss and to advise regarding proper equipment.
The John Inglis COMPANY LIMITED
14 STRACHAN AVENUE, TORONTO, ONT.
405 POWER BUILDING, MONTREAL, P.Q.

Public Utilities

LOWENSTEIN BID FOR BRAZILIAN STOCK IS LOW

Equity Would Not Offset Potential Earnings Loss

VALUES SHARES AT 30

Rio, Sao Paulo Companies Are Bigger Money-Makers Than Others in Proposed Financial Merger

A daily newspaper clipping purporting to come from a London financial organ says that Capt. Alfred Lowenstein estimates the value of each common share in his Hydro-Electric Securities Corp. at $90.

The Lowenstein offer to common shareholders in Brazilian Traction was an exchange of one share of Brazilian for $75 in preference stock plus one ordinary share in the Hydro Electric Securities Corp. Thus the difference between the current value of Brazilian and $75 is the Lowenstein estimate of the value of an ordinary share in the Hydro Electric.

$48 At Outside

Brazilian's peak price was $123. On this basis a share of common in the Lowenstein company would be worth $48. That, apparently, is the outside figure. On a strict basis of yield, Brazilian to bring a return of 6 per cent. should be selling at 83¼. That figure would value the common of Hydro-Electric at only 8¼. If Brazilian were marketable at only par, the worth of Lowenstein Hydro common would be $25, according to this offer.

The issued capital of Brazilian Traction is $116,587,900. It is estimated that, if the conversion is made and if the Hydro shares are valued at $30 each, the capitalization of the new holding company, as represented by the Brazilian enterprise, will be about $111,000,000.

It may be argued that comparing these two figures is of no value because the Lowenstein company will be a holding company which will have additional assets already controlled or to be acquired by the Lowenstein group. But the advantage of the exchange to the investors in Brazilian is not apparent, when it is remembered that, on a capitalization of $116,000,000 there is a grand total of assets of $275,000,000, in round numbers, according to the last balance sheet.

Brazilian Is Strongest

Erstwhile Brazilian shareholders would be an important interest any holding company formed or to be formed, but it is not apparent that the investment position could be improved, at least on the basis of exchange proposed, and it is possible that the prospects of greater return would be dissipated for some years, if not forever. Brazilian would be the best and strongest of the companies in the group of companies. It is apparent that the earnings of the Brazilian Traction would not go to bolster up weak sisters in Mexico and in Barcelona, and accrue to the benefit of all the shareholders in the holding company rather than to the Brazilian shareholders who now are the only beneficiaries of a conservative management and of increasingly substantial earnings.

Last year's operations in Mexican Tramways, one of the companies expected to be in the group, showed a revenue deficit. Interest on Tramways second bonds have not been paid since 1914. Mexican Light & Power last year increased its net earnings somewhat over the year before, but Tramways' position apparently has not improved, its last report showing earnings of less than 2 per cent. over gross expenditures, including taxes and depreciation.

Barcelona Improves

Barcelona Traction alone of the companies which it is proposed to consolidate under the financial aegis of Lowenstein has shown substantial improvement recently. Its total assets as at the last annual statement are shown at $121,957,000. Its earnings have been increasing but the returns are as in the case of similar companies, are subject to fluctuations in exchange. The peseta is now valued at about 15 cents in Canadian currency.

Brazilian's net gain in revenue in November was $105,113 over November a year ago. The detailed figures are shown elsewhere in this issue. Brazilian's net gain in revenue from January 1, to September 30, was $4,267,224. In the same period, the gain in Barcelona net revenues was approximately $190,000.

Southern Canada Power Anticipated Good Year

From Our Own Correspondent.

MONTREAL.—The Southern Canada Power company has added J. S. H. Wurtele and P. T. Davies to its board. The new directors have been connected with the company for some years; Mr. Wurtele as plant manager and Mr. Davies as commercial manager.

The annual meeting, at which the two directors were added, was routine in character, but the president, J. B. Woodyatt, said that the earnings during the first two months of the current year indicate that the company has another good year ahead of it and that conditions in the districts served are favorable to to the continued growth of the business.

More Clydesdales are on the way to Canada from Scotland. It is expected that the year's imports will run to 120, a record since the war.

Curb Market Grows; Instal Tickers Now

MONTREAL. — The Montreal Curb Market has made satisfactory strides since its inception; early in 1927 the market will instal a stock quotation ticker service for its members.

The value of the seats on the exchange have also shown a great increase and recently $3,000 was bid for a seat. The original value of the seats to outside members was $1,000 each.

CUSTOMERS OF 'PEG ELECTRIC BUY IN EAGERLY

Shareholders Meet Next Month to Ratify Increase in Preferred

Reports recently have indicated that the Winnipeg Electric Co., to provide funds for the rapid expansion of its business, would call a meeting of shareholders next month to authorize a new issue of stock. This meeting, however is to be called to ratify the increase in the authorized amount of the preferred stock from $3,000,000 to $10,000,000.

The funds for immediate extensions have been provided by the company's recent customer ownership campaign when applications were received from customers for $1.143,000 of preferred stock. This will be issued as soon as the increase in the authorized amount of preferred shares has been ratified by the shareholders.

Is Second Campaign

The customer-ownership campaign, which was conducted by the Customer-Ownership Co. of Canada, was the second of its kind carried out by Winnipeg Electric, the first being in 1925. It was closely along the lines of the project of the Dominion Power and Transmission Co. of Hamilton, which also met with marked success.

Any employee of Winnipeg Electric was authorized to take subscriptions for the stock. Any subscriber was given the privilege of subscribing to any number of shares up to 50 and payments could be made either cash with order, 10 per cent. with order and balance on allotment or 10 per cent. cash and 10 per cent. monthly.

Investment Is Liquid

The shares so offered to customers are 7 per cent. cumulative, non-callable and non-assessable and dividends are paid quarterly. The literature distributed prior to and in the course of the brief campaign stressed the stability of the company in simple language and pointed out that the shares are easily traded in through brokers, if the owner wishes to dispose of them at any time, the company contracts, through its securities department, to buy back the shares at a service charge of $2 the share.

One folder shows pictures of the company's power plants, gas works and street car barns and graphs illustrate the growth of the business since 1915. Where 126,000,000 cubic feet of gas were maufactured in 1905, the 1925 total was 512,000,000 cubic feet. Where 13,000,000 passengers were carried on street cars in 1905, 55,000,000 passengers were carried in 1925. Where 12,180,000 kilowatt hours of electricity were generated in 1905, 252,882,600 hours were generated in 1925.

Prospective investors also were told that the total investment of the company is $36,000,000 and that there is $3 of value back of every dollar invested in stock.

SHAWINIGAN SPLIT STRENGTHENS STOCK

New Stock May Not be Issued for Six Months — $2 Dividend Rate?

From Our Own Correspondent

MONTREAL.—While the shareholders in the Shawinigan Water and Power Company have given their approval to the four-way split-up in the shares, it is not anticipated that the new stock will be distributed to the shareholders until February. The shareholders are primarily interested in the price at which the new shares will make their appearance on the market. This seems to depend entirely on the dividend rate on the new stock, which, it is generally anticipated, will commence with initial dividends at the same rate which prevails at present. Thus, the 8 per cent. dividend which the company now pays will mean payments of $2 per annum on the new shares, which are to be distributed in the ratio of four of the new for one of the old. If this be so, it seems reasonable to presume that the value of the new stock will be about one-quarter of the prices which prevails at present.

More Stable Market

However, as the new shares will sell at around $70, they will prove more attractive to the public and thus will receive a much wider distribution, which, in turn, will make for a more stable market for the stock.

This will be a high price for stock paying only $2 per annum, yet the shares of Montreal "Power" are changing hands at around this figure, and Shawinigan shares are equally attractive as those of Montreal "Power." Furthermore, Shawinigan has formulated many plans for expansion in the more or less immediate future which must result in further financing. Part of this, no doubt, will be accomplished by the issuance of further shares to the present stockholders at prices below prevailing market levels.

TRAMWAYS & POWER PASSES FROM SCENE

Consolidated Securities Will Have Control of Montreal Tramways in Future

From Our Own Correspondent.

MONTREAL.—The Montreal Tramways and Power Company is to be wound up and the assets transferred to the Consolidated Securities, Limited. The capital stock of the latter consists only of 20,000 shares of no par value.

The Montreal Tramways and Power Company was incorporated in England and licensed in the province of Quebec. The company owns some 52 per cent. of the shares of the Montreal Tramways Company. The Montreal Tramways and Power is, in turn, a subsidiary of United Securities; the latter owns over 90 per cent. of the outstanding stock of Tramways and Power. Thus, it will be seen that the company is simply a holding company in the chain linking the Montreal "Power" and Shawinigan with the Montreal Tramways Company.

Reasons Behind the Move

The reason for winding up the company lies in the fact that it was incorporated in England and subject to taxation there.

The shareholders of the Montreal Tramways and Power Company will meet January 12 in Montreal to ratify the proposed winding up of the company.

As the United Securities owns practically all the shares of the common stock of Montreal Tramways and Power, it will receive practically all the shares of the new company, the Consolidated Securities.

The advantages of the change lie in the fact that the English company, having an inflated capitalization and operated under by-laws and articles unfamiliar in Canada, will be wiped out and the control of the Montreal Tramways will be vested in the United Securities through the subsidiary company having a smaller capitalization and operating under the laws of the province of Quebec.

Public Utility Earnings

Southern Canada Power

November—	1926	1925	Inc.
Gross	$129,169	$115,773	$ 13,396
Op. Exp.	40,373	37,120	3,253
Net	$ 88,796	$ 78,653	$ 10,143
2 Months—	1926	1925	Inc.
Gross	$253,105	$226,814	$ 26,291
Op. Exp.	81,671	74,194	7,477
Net	$171,434	$152,620	$ 18,814

B. C. Electric

October	1926	1925	Change
Gross earnings	$1,054,008	$1,015,549	+$38,549
Net income	313,824	292,279	+ 21,545
July 1 to Oct. 31—			
Agge. gross	4,096,193	3,915,191	+181,002
Aggre net	1,135,986	1,120,213	+ 15,773

Brazilian Traction

	Nov. 1926	1925	Inc.
Gross earn.	$ 3,001,416	$ 2,911,695	$ 89,721
Oper. exp.	1,342,265	1,357,657	*15,392
Net earn.	1,659,151	1,554,038	105,113
Aggregate gross from Jan. 1	$35,648,927	$28,132,509	$7,516,418
Aggregate net from Jan. 1	$20,244,536	$15,774,988	$4,469,548

* Decrease.

The following table shows earnings for thirteen months, with comparisons:

	Gross	Net	Net Inc.
1925—			
Nov.	$2,911,695	$1,554,038	$132,209
Dec.	3,111,251	1,714,418	310,888
1926—			
Jan.	3,163,670	1,792,288	298,795
Feb.	2,893,557	1,678,787	394,445
Mar.	3,077,791	1,763,343	417,416
April	3,021,732	1,715,372	467,494
May	3,381,959	1,950,677	628,463
June	3,487,237	2,037,453	687,008
July	3,531,663	1,990,806	600,016
Aug.	3,476,995	1,962,354	376,524
Sept.	3,412,431	1,911,351	397,063
Oct.	3,200,476	1,182,954	97,211
Nov.	3,001,416	1,659,151	105,113

RAILWAY EARNINGS

Canadian Pacific

Week-end	1926	1925	Change
Dec. 14	$3,997,000	$4,546,000	—$549,000

Canadian National

Week-end	1926	1925	Change
Dec. 14	$5,287,223	$5,197,953	—$210,730

CABINET APPEALS MAY PLUNGE RAILS INTO POLITICAL PLOT

(Continued from page 1)

mission and parliament, large and influential sections of Canada are strenuously advocating definite changes in the freight rate structure which would eliminate the Mountain scale and largely reduce Prairie rates.

Asks Crows Nest Pass Rates

The Provinces of Saskatchewan and Alberta have applied to the Railway Commission for an order instructing the railway companies to carry out to the third decimal point the Crows Nest Pass agreement, as sanctioned by Parliament in 1925. The two provinces claim that the railways charge three cents more per bushel on wheat shipped from the northern parts of the provinces than from the south. The province of Manitoba, although not directly concerned, is supporting the application vigorously.

The commission heard the argument in this case last February. The provinces argued that the statute of 1925 was being evaded. The railways denied this and held that the usual practice of "blanketing" rates over small areas was being carried out in the west as in the east. The Railway Commission decided to include the application in the larger equalization case, and no judgment was given.

It was at this point that the railways started to incur danger. No sooner was the board's intention known than the Western Provinces appealed to the governor-in-council (the cabinet) asking that the railways be compelled to carry out the 1925 statute to the letter. The cabinet decided, as the law compelled it to decide, to hear the appeal, and the argument will take place shortly.

Government Will Fight Politics

There are strong grounds for believing that the cabinet will endeavor to resist pressure from the prairies. Undoubtedly Hon. C. A. Dunning and other western ministers will strive for a decision favorable to the west, but the weight of opinion, it is thought, will be to await the final decision of the commission, which will likely be announced some time in 1927.

That, however, will not satisfy the west, nor end the fight. Already, indeed, western members, sensing the drift of opinion in the cabinet, are deploying their forces for parliament. It is there that both the railways and the Railway Commission will be exposed to the greatest risk.

In the brief session just closed, the advisability of compelling the railways to submit to Western demands was stressed by members of the Alberta group, by the remnants of the Progressive party, and by various Liberal-Progressives. In the lobbies, members of all three groups declared that if the government failed to give a favorable decision in the appeal now pending they would bring in "no confidence" motions. These groups aggregate 33 or 34 members, and if the Conservative party should put political expediency before its rate principles and support them, the government could not hope for a greater majority than one or two.

The granting of the application would involve a loss to the railways variously estimated, but conservatively placed at $6,000,000.

British Columbia Also Has Demands

The second cloud which darkens the railways' skies is in British Columbia. The government of that province, supported actively by Alberta and passively by Saskatchewan, is prosecuting a vigorous campaign before the Railway Commission and in parliament for the elimination of the mountain scale of freight rates.

It is pretty generally admitted that the high cost of constructing railways across the three mountain ranges of British Columbia should be reflected in the rate tariffs. At one time the ratio was: prairie rate 100, mountain scale 150. In other words, the mountain scale was 50 per cent. higher. However, as the result of unceasing efforts, the Pacific province succeeded in bringing the ratio down to 100-125, or a difference of 25 per cent.

Then, in September, 1925, the British Columbia government obtained judgment from Chief Commissioner H. A. McKeown and Hon. Frank Oliver directing the railways to apply Crows Nest Pass rates on grain and flour westbound from the prairies to the Pacific coast. This was a partial but, nevertheless, a very costly, victory. The judgment was delivered at the commencement of the election campaign in 1925 and was the central issue of the electoral battle in British Columbia.

Claim C.P.R. Did Not Follow

It is now contended by British Columbia that the Canadian Pacific Railway did not carry out this judgment. It appears that in order to preserve a common rate from Calgary and Edmonton to the Coast, the C.P.R. adopted the mileage from Edmonton to Vancouver as a basis for striking a rate from Calgary to Vancouver. Calgary is 124 miles closer.

The British Columbia government applied last September to the Railway Commission asking for an order permitting the province to prosecute Edward Beatty and other C.P.R. directors for failure to comply with an order of the board. The commission has declined to issue such an order, and at the present moment the province is deciding whether an appeal should be made to the cabinet. Whether or not this appeal is made, this dispute will not be allowed to rest. Like the eastbound rates on grain and flour, the mountain scale and the controversy centering on the gudgment of Messrs. McKeown and Oliver will be made political questions by representatives of British Columbia and Alberta in the House of Commons.

Major Blow to Railway Revenues

In this particular dispute arising out of the rate from Calgary to Vancouver, the granting of British Columbia's demands would mean a loss to the C.P.R. of something over $1,000,000 per year. The entire elimination of the mountain scale, also sought before the Board and Parliament, would be a major blow at railway revenues and would easily make up the difference between the sums already mentioned and the total given at the outset of this article.

Summing up the whole situation, the disturbing fact is that railway rates have never been more in politics than at the present time. When the Railway Act was introduced by Hon. A. G. Blair it was primarily intended that the decisions of the commision should not be subject to review by the cabinet. And although, finally, Blair felt it advisable to yield to pressure from certain quarters, and make such appeals part of the law, he argued very strongly that the Cabinet was not a suitable body to revise the judgments of such a tribunal as the Railway Commission. Down to 1921—for a period of eighteen years—Mr. Blair's judgment was vindicated by the course of events. During the Laurier regime there was not a single instance of interference with the jurisdiction or findings of the Commission. The same thing is true of the years when the Conservatives were in power. It was held through all those years that the cabinet was not in any sense competent to sit in judgment on the decisions of an expert court, and that it would be subversive of the fundamental principles of the Railway Act to do so, notwithstanding the authority given in the statute.

Sweeping Interference With Commission

To-day the situation is changed. Already we have seen sweeping statutory interference with the legitimate functions of the commission; and powerful influences, still not content, are demanding that rates be brought back to the cock-pit of parliament; are charging that the commission is either impotent or unwilling to deal with rate questions; and are demanding either its abolition or reorganization.

The question is fraught with much more gravity than the public suspect. The people of Canada have hundreds of millions of dollars invested in railway enterprises. With the Canadian National still producing large annual deficits (despite its recent good showing); with the Maritimes demanding a 20 per cent. rate reduction to be fixed by statute; and with the west demanding that the Railway Commission be stultified, or, if necessary, abolished, that it may get lower and still lower schedules, the situation is one that Canadians may well view with a great deal of anxiety.

Wayagamack Pulp & Paper Company, Limited

Head Office and Works: THREE RIVERS, P.Q.

DIRECTORS:
C. R. WHITEHEAD, President and General Manager
JAMES W. PYKE, Vice-President
HUGH MACKAY, K.C.
ALEX. MACLAREN
G. H. DUGGAN
NORMAN J. DAWES
J. FRATER TAYLOR

FOURTEENTH ANNUAL REPORT

Three Rivers, P.Q., December 13th, 1926.

Your Directors submit the Fourteenth Annual Report of the Company, together with Balance Sheet as at November 30th, 1926, and Profit and Loss Account for the year ended that date.

The earnings for the twelve months, after making provision for Income Tax, but before providing for Interest on Bonds, Depreciation of Buildings and Plant, and Depletion of Limits, amounted to $1,350,266.48.

Your Company has acquired a one-third interest in The Anticosti Corporation, represented by 20,000 shares Common Stock, carried on Investment Account at One Dollar. The Pulpwood on the Island is conservatively estimated at 15,000,000 cords and is held in fee simple by The Anticosti Corporation.

Your Directors, pursuant to Supplementary Letters Patent dated December 20th, 1920, decided to issue two shares without nominal or par value for each fully-paid Common share of the par value of One Hundred Dollars ($100), to take effect December 1st, 1926.

Your Directors feel that the Company has now worked into a position where payment of Dividends is in order, and have consequently decided to commence on a conservative basis.

Your Directors desire to record their appreciation of the faithful and efficient service rendered by the officers, staff and employees of all departments throughout the year.

The Accounts have been audited by Messrs. Riddell, Stead, Graham & Hutchison, and their report is appended hereto.

Submitted on behalf of the Directors.

C. R. WHITEHEAD,
President.

BALANCE SHEET AS AT 30th NOVEMBER, 1926

ASSETS

CURRENT ASSETS:				
Cash on Hand and in Bank			$ 350,175.48	
Accounts and Bills Receivable: Less: Reserve for Bad and Doubtful Debts			1,065,473.55	
INVENTORIES:				
Pulpwood and Logs		$1,313,476.14		
Stores, Chemicals and Fuel		627,303.16		
Pulp and Paper		40,024.67		
Logging Expenses, Season 1926-27, including supplies at Depots		255,371.56	2,236,175.53	$3,651,824.56
Investments, including 20,000 Shares of Common Stock of The Anticosti Corporation, carried at $1.00				36,677.00
Loans to Wayagamack News Limited, Secured by $1,500,000 6½% 15-Year Second or General Mortgage Bonds, due 1940			$1,350,000.00	
Additional loan during year			315,810.14	
				1,665,810.14
FIXED ASSETS:				
Buildings, Plant, Machinery, etc., as at 30th November, 1925			$5,825,857.17	
Expenditure during year			194,889.70	
				6,020,746.87
Property, Limits, Real Estate, etc., as at 30th November, 1925			$5,745,346.66	
Deduct: Property sold			1,799.45	
			$5,743,547.21	
Deduct for Depletion of Limits			136,784.11	
				5,606,763.10
				$16,981,821.67

LIABILITIES

CURRENT LIABILITIES:				
Accounts Payable, Accrued Charges and Provision for Income Tax			$ 560,269.54	
Accrued Interest on Bonds			125,653.00	
				$ 685,922.54
Bonds, 6% 40-Year First Mortgage, Due 1951:				
Authorized and Issued			$5,000,000.00	
Less: Bonds Redeemed and Bonds Cancelled for Sinking Fund			748,600.00	
				4,251,400.00
Bonds, 6½% 5-Year General Mortgage and Collateral Trust Gold Bonds, Due 1930:				
Authorized and Issued				1,500,000.00
CAPITAL:				
Authorized and Issued, 50,000 Shares of $100 each fully paid				5,000,000.00
Reserve for Depreciation and Sinking Fund				2,406.552.61
General Reserve				500,000.00
PROFIT AND LOSS:				
Balance as at 30th November, 1925			$1,981,964.15	
Add: Profit from operations after providing for Income Tax		$1,350,266.48		
Deduct:				
Bond Interest	$397,500.00			
Depreciation	160,000.00			
Depletion of Limits	136,784.11			
		694,284.11		
		$ 655,982.37		
Add: Profit from Other Sources.		500,000.00		
		$1,155,982.37		
Deduct: Transferred to General Reserve		500,000.00		
			655,982.37	
				2,637,946.52
				$16,981,821.67

NOTE—Wayagamack Pulp and Paper Company, Limited, have guaranteed the £425,000 5 per cent. guaranteed Debenture Stock, due 1940, of Wayagamack News Limited, and have undertaken to lease and operate the plant of Wayagamack News Limited, for a period of fifteen years, from January, 1926.

Contingent Liabilities, $150,000.00.
Montreal, 10th December, 1926.

Signed on behalf of the Board:
JAS. W. PYKE,
HUGH MACKAY,
Directors.

Verified as per our report of this date
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Auditors.

PACIFIC BURT IS OFFERING STOCK TO HELP GROWTH

New Factory, Machinery is Required for Southern California Business

Shareholders of Pacific Burt Co. at the special meeting in the head office of the company, Toronto, next Wednesday doubtless will ratify the proposed increase in the capital stock of the company by $719,000 to $2,000,000, divided equally between convertible preferred and common. Assuming that the shareholders approve the increase, the directors propose early next month to offer the shareholders $250,000 of the convertible preference stock at par, $100. Each shareholder will be offered one new share for each five preferred or common shares already held. The preferred is now selling in the open market at around 108.

Pacific Burt Co. has enjoyed an excellent year, it is reported, and the outlook is especially bright. Business is expanding and the company's financial condition is sound. Production costs will be lowered somewhat, it is expected, when the new factory is completed in Los Angeles.

Writes Off Big Sum

The company for the year ended March 31st last, showed earnings of $17.28 on the preferred after depreciation but before federal taxes. This was an apparent decrease in earnings from $17.71 over the previous year, and may be compared with the earnings of $29.78 for 1923. But the position of the company at the end of the year evidently was better than might be assumed from the earnings statement. The report of the directors, over the signature of S. J. Moore, president, said that "shipments for the year were the largest in the company's experience," and it was added that profits were "substantially higher" than those of the preceding year. Mr. Moore noted further that from the profits had been deducted "heavy special expenditures in connection with a forward-looking programme, which will add to future earnings." As is the practice in the Moore group of companies, provisions for depreciation of plants and amortization of patents have been liberal to a degree.

The profit and loss account for the two last fiscal years ended March 31, follows:

Profit and Loss

Year End. Mar. 31	1926	1925
Profits	$198,379	$197,161
Depreciation	72,196	67,707
Writ. off patents	12,552	12,552
Contrib. to employees	2,000	2,533
	$ 86,748	$ 82,792
Net profits	$111,631	$114,369
Pref. dividends	45,206	45,206
Com. dividends	39,252	39,252
Balance	$ 27,173	$ 29,911
Surp. forward	206,537	195,748
	$233,710	$225,659
Taxes	14,902	19,121
Surplus	$218,808	$206,538

Stock Range

	Open	High	Low	Close
Common	90⅝	110	90	90
Preferred	102	110	102	108

Pacific-Burt Co. has been in operation since 1910, when it was incorporated in Ontario to take over the business of the Pacific Manifolding Book Co. of Emeryville (San Francisco), Calif. There are no arrears on the 7 per cent. cumulative preferred. The common has been on a 6 per cent. basis since July 1, 1922. Four per cent. was paid that year. The previous rate has been 2 per cent.

The specific reason for the increase in the capital stock is that it is necessary to provide more machinery as well as to build a new factory at Los Angeles. The Los Angeles plant has occupied rented premises which for some time have been inadequate. A site has been selected and it is expected that the new building will be occupied early next summer. Mr. Moore's letter to the shareholders points out that since the company was formed in 1910 the business has increased more than four-fold, while the amount of capital stock has remained unchanged.

Sells West of Rockies

The main plant of the company will remain at Emeryville. A third plant was established last year at Seattle and is reported to be doing very well. Pacific Burt Co.'s products are the same as the products of the American Sales Book Co. and the sales territory takes in every state west of the Rocky Mountains and south of British Columbia. Besides sales books, there is a growing demand for the Wiz Flatlakit autographic registers, manifold books, automatic carbon books, continuous interfolded billing-machine forms and carbon ready forms. The company operates high-speed rotary presses with all the necessary auxiliary machines, including carbon-coating equipment, slitters, cutters, stitchers, typesetting and stereotyping machinery. The depreciation reserve is expected to be in excess of $400,000 at the end of the present fiscal year. This item totalled $377,054 as of March 31, 1926.

STERLING TRUSTS DIVIDEND

The Sterling Trusts Corp. has declared a dividend of 3 per cent. for the half year ended Dec. 31, 1926, payable Dec. 31 to shareholders of record Dec. 21.

The Sterling Trust Corp., the fiscal year of which ends this month, will show improvement in all departments. These include an increase of more than $1,000,000 in the trusts and estates department. A substantial increase in gross and net earnings will also be shown. Notable growth has been shown this year in the business of the company's Western organization, which is centred in Regina. The loaning situation has grown better, due to the fact that realty values both in Eastern and Western Canada have become more stabilized.

Municipal Taxation Slightly Downward

Citizens Research Institute of Canada has issued its annual report on the cost of municipal government in Canada. The report covers the year 1925 and shows a general declining tendency in such expenditures throughout Canada.

The bureau states:

"Victoria, Edmonton and Calgary in the western cities were still able to show substantial reductions in the net per capita municipal expenditures in 1925 over 1924, although the first two of these cities are still among those with the highest per capitas. This reduction is particularly worthy of note in Victoria, since it was achieved without the use of a higher population figure and in the face of a decrease in the per capita grant from the province. The Saskatoon per capita remained about the same in 1925 as in 1924, but still represents a large decrease over 1923. Winnipeg per capita has apparently stabilized at about 50, which is the second lowest of the western cities in the list and $3.00 below that of Toronto. Vancouver showed an increase of almost $2 per capita in 1925 over 1924, but is still 2 below the 1923 figure and is still the lowest per capita in the western cities studied and compares most favorably with Ontario cities.

"In the Ontario cities, Toronto had a drop of almost $1 in per capita expenditures in 1925, as compared with 1924, and is now slightly lower than in 1923. In Windsor, the 1926 estimated figures, which were the only ones available to the institute at the time of publication, indicated a drop over those of 1924. Ottawa had a per capita increase of about $2, but still has the lowest per capita of the Ontario cities studied.

"Quebec and Maritime cities all show increases in per capita costs, 1925 over 1924, but such increases are comparatively small. Eastern cities still have the lowest per capita expenditure.

"The levelling up process in per capita municipal expenditures pointed out in our report of a year ago is still in process. Ontario and western cities are becoming more and more alike in costs, with Quebec and eastern cities increasing yearly, but still below the level of Ontario and western cities. It should be borne in mind that the services given in Ontario and western cities are probably more closely alike than the services demanded of the municipal governments in Quebec and eastern cities.

"Educational costs still overshadow the costs of other individual services rendered by municipal governments. Nine of the cities in the list show per capita increases in 1925 over 1924 for this service while eight show decreases. In Ontario the trend, with the exception of Windsor, is to increase. Western cities show decreases with the exception of Vancouver and Regina. Saskatoon still has the highest per capita for this service with Edmonton second. Quebec cities show slight decreases, St. John a considerable increase, but in Halifax and Charlottetown there was little variation from the 1924 figure.

SOME PER CAPITA MUNICIPAL FACTS, 1925

Per capitas are based on official civic population figures. If any reader disagrees with any population figures given, he may readily revise any per capitas on the basis of an amended population figure.

CITY	Population (Civic Census or Estimate)	Per Capita Taxable Assessment	Per Capita Taxes		PER CAPITA DEBENTURE DEBT						
			Educational Purposes	Other Municipal Purposes	For Pub. Utilities	For School Purposes	Total for All Purposes	Sinking Funds on Hand	Net Total (Total Less S.F.)	Net Public Utility Debt (Net P.U.D. Less S.F.)	Net General (Net Total Less Net P. Utilities).
Victoria	40,000	$1,070	$11.21	$35.27	$107.12	$33.87	$430.16	$48.50	$381.66	$97.57	$284.09
Vancouver	128,366	1,318	11.92	31.64	52.49†	34.94	290.34†	66.26	224.08	40.64	183.44
Edmonton	65,378	900	20.27	33.60	180.21	59.53	588.82	145.36	448.46	109.42	334.04
Calgary	69,000	827	16.83	30.89	123.14	38.21	402.78	85.32	317.46	84.23	233.23
Regina	40,000	1,005	16.24	28.20	136.40	41.82	329.20	100.42	228.78	106.87	121.91
Saskatoon	30,000	950	21.27	24.35	107.10	64.07	367.20	92.87	274.33	78.78	195.55
Winnipeg	197,125	1,180	15.23	31.95	193.63‖	45.79	356.96‖	91.52	265.44	168.26	97.18
Toronto	549,429	1,590	16.40	32.88	156.74	43.60	302.13	45.41	256.72	140.16	116.56
Hamilton	122,459	1,227	15.63	28.06	51.23	37.36	183.49	37.96	145.53	37.72	107.81
Ottawa	118,697	1,198	14.81	28.62	46.28	36.96	209.32	46.41	162.91	36.37	126.54
London	64,274	1,127	17.45	26.70	81.29	35.58	205.78	28.56	177.22	64.69	112.53
Windsor	56,433	1,147	17.87¶	26.40¶	69.76§	68.14	235.68§	2.23	233.45	69.76	163.69
Montreal	672,000x	1,177	10.81	20.55	42.80*	45.08	285.44	20.27	265.17	39.82	225.35
Quebec	124,341	798	7.50	21.61	50.29	32.01	188.49	12.02	176.47	49.91	126.56
St. John	55,000	969	10.92	21.28	90.53	30.10	172.36	45.89	126.47	67.08	59.39
Halifax	57,564	990	11.05	20.96	48.14	38.94	202.22	34.79	167.43		
Charlottetown	12,500	510	3.00	7.96	14.20	4.84	95.86	12.94	82.92	11.80	71.12

xEstimated by city on last census basis.

†Includes Vancouver's share of the debt of Vancouver District Joint Sewerage and Drainage Board.

*Owing to uncertainty concerning actual amount of outstanding debentures on water works, and also sinking funds applicable thereto, figure must be considered approximate.

‖Includes city's liability on account of Greater Winnipeg Water District.

§Includes Windsor's Share of Essex Border Utilities Debt.

¶Based on 1926 Taxation and 1926 Population of 61,059.

PER CAPITA MUNICIPAL EXPENDITURES, 1925

Classified by Main Activities. Per Capitas are based on Official civic figures.

CITY	General Government	Education	Protection of Persons and Property	Highways, Bridges Ferries, Etc.	Charities and Correction	Health and Sanitation	Recreation	Local Improvements		Gross Total	Less Revenues from Province	Net Expenditures from Local Reserves		
								City's Share	Property Owners Share			1923	1924	1925
Victoria	$7.76	$13.62	$7.08	$6.60	$3.09	$6.65	$1.14	$13.21¶	$1.74	$60.89	$5.09	$55.80	$57.15	$65.43
Vancouver	4.11	14.68	8.36	8.99	4.71	6.37	2.16	1.40	1.87	52.65	5.13	47.52	45.60	49.40
Edmonton	9.82*	21.58	6.19	3.82	3.33	2.84	.69	8.18	5.37	61.82	1.31	60.51	61.52	62.52
Calgary	9.57	17.92	5.38	3.78	3.80	3.98	.79	2.42	6.06	53.70	1.08	52.62	54.02	53.44
Regina	8.72	18.33	6.35	4.18	3.16	3.35	1.65	3.58	4.50	53.82	1.70	52.12	50.04	55.07
Saskatoon	13.36*	23.85	6.62	2.88	1.58	3.26	.70	2.04	4.52	58.81	2.61	56.20	56.18	63.03
Winnipeg	9.83‖	16.23	6.97	3.44	3.31	4.24	1.29	.43	6.33	52.07	1.83	50.24	50.27	49.60
Toronto	5.42	17.37	8.74	4.65	2.82	6.28	2.49	3.10	3.43	54.30	.98	53.32	54.31	53.63
Hamilton	5.33	16.28	5.52	3.59	6.44	3.71	1.33	2.31	2.93	47.44	.63	46.81	46.77	42.38
Ottawa	4.97	14.42	4.98	4.64	4.33	3.66	1.24	1.67	3.70	43.61	.49	43.12	40.90	40.28
London‡	3.94	18.29	4.94	3.42	4.83	3.89	.86	2.47	4.89	47.53	1.03	46.50	46.22	45.30
Windsor°	5.90	19.05	6.12	5.80	1.31	1.20	1.43	3.57	6.86	51.24	.70	50.54	51.67	52.58
Montreal	10.45*	11.17	6.47	3.52	1.36	2.70	.47	.09	2.37	38.60	.16	38.44	38.15	32.04
Quebec	10.66*	7.61	4.94	3.65	.95	1.37	.23	—	.47	29.88	.07	29.81	29.43	26.95
St. John	3.51	10.98	4.46	5.62	3.49	3.54	.32	—	—	31.99§	.06§	31.93	31.60	30.90
Halifax‡	3.41	11.05	6.22	4.71	3.00	4.33	.31	—	—	33.03	.68	32.35	31.97	33.62
Ch'rlottetown	5.45	3.00	1.71	1.90	.05	1.04	.23	†	†	13.38	.05	13.33	12.64	12.39

*Debt charges for other than Education and Local Improvements are included under General Government.

‖Includes taxation for Greater Winnipeg Water District.

†Included under General Government Expenditures.

¶Includes extension securities.

§If the amount paid direct to teachers by the Province were added this figure would be increased by 90 cents.

‡Figures based on yearly estimates. Annual Reports not at hand.

°Figures based on estimate of 1926 with actual population of 61,059. Actual figures for Windsor not yet at hand.

MORTGAGE DISCOUNT SUCCESSFUL IN 1926

Toronto Realty Market Was Uncertain During Year, Shareholders Are Told

The annual report of the directors of Mortgage Discount (Toronto) will be presented to shareholders at the meeting on January 3rd. The net profit for the year was $68,035. The surplus carried over from last year was 101,064, making a total of $169,100. Dividends and income tax, totaling $67,496, are deducted from this, leaving a balance of $101,603 to be carried over. This is approximately the sum carried over the previous year.

Frank Carrel, president, points out that the real-estate market in Toronto continued to be soft during the year. Many mortgagors were compelled to abandon their properties and the officers of the company had to use exceptional caution to avert the granting of insecure loans. The results of Mortgage Discount's year, on the whole, are deemed to have been satisfactory, especially as the company appears to be in a position to carry on through other lean years if the real estate situation does not improve soon.

The total investments of Mortgage Discount are $1,076,372. The outstanding capital stock is valued at $1,518,540, but offsetting this item is $600,000 called agency agreements paid for by the issue of fully paid up common stock. These are listed as deferred assets.

GREENSHIELDS ADDS PARTNERS

MONTREAL.—The investment house of Greenshields and Company announce that Raymond Allan and Joseph H. Copeman will be admitted to partnership in the firm as of January 1, 1927.

Mr. Allan has been connected with the organization since 1910 when the business was started, and has been acting as secretary and office manager.

Mr. Copeman joined the organization in 1919. He is head of the correspondence and statistical departments. He was for many years financial editor of the Montreal Gazette before joining Greenshields and Company.

C.P.R. to Spend Millions on Its 1927 Developments

Canadian Pacific Railway developments will involve many millions of dollars of expenditure during the coming year.

Branch lines to be built in Saskatchewan and Alberta are six in number, aggregating 200 miles in length and to cost several millions of dollars. These six lines include: ten miles off the Rosemary branch in Alberta; easterly from Lloydminster into Saskatchewan; westerly from the Fife Lake branch in Saskatchewan; from the Manitou Lake branch westerly through Lloydminster, to Whitford Lake; from Theodore on the Manitoba and Northwestern Railway to Duval on the Pleasant Hills branch.

Also announced is a $3,000,000 program of expenditure on new coach yards in Toronto. New buildings include an engine house, a new turntable building for coach repairs, sleeping, parlor and dining car stores building, building for hard coal supplies, car foreman's department, power house, 100,000 gallon water tank, coaling and sand plant, machine shop, bunk house, wheel and lathe building.

Canadian Pacific Railway will operate a new $8,000,000 hotel to be built in Toronto, leasing the building from the promotors. C. P. R. hotels in other cities are rumored.

Canadian Western Lumber

Canadian Western Lumber Company, which includes the Columbia River Lumber Company, in their statement for October, 1926, show 9,691,250 feet of lumber manufactured, as against 16,572,920 feet in October, 1925. There was 7,324,724 feet of lumber sold at a price of $172,185, as compared with 13,748,391 at $308,255 in October, 1925. The aggregate lumber manufactured from Jan. 1 to Oct. 31 was 136,755,628 feet, an increase of 21,212,980 over the same period of 1925. The aggregate lumber sold from Jan. 1 to Oct. 31 was 132,923,696 feet and the price realized was $3,165,269, as compared with 107,652,443 feet at $2,561,704 for the same months a year ago.

Exports of Christmas trees through Fredericton are three times as large as last year. Most of the trees are consigned to Pennsylvania and New York state.

Hudson's Bay Toronto Store Another Link

H. F. Harman, land commissioner in Canada for the Hudson's Bay Co., is expected to arrive in Toronto in a few days, according to information received by The Financial Post, to complete arrangements preparatory to the construction of an uptown department store in the city. The company has secured, for a month, an option on property at the northeast corner of Bloor and Bay and, it is understood, has definitely decided to go ahead with construction, subject to ratification by the directors who meet in London, England, next month. A similar development is being thought of for Montreal, but it is believed that no definite steps have as yet been taken towards fulfilment of this plan. A. H. Doe, controller of store construction for the company, is expected to return to Toronto with Mr. Harman, en route to attending the meeting in England

Across Most of Canada

The movement of the Hudson's Bay Company to erect a store in Toronto, comes as another step in a chain of development that is gradually extending across Canada. The invasion of the eastern field is the most spectacular feature of the development and presents interesting possibilities for the retail merchants already well established in the large urban centres. The company has stores in Calgary, Victoria, Nelson, Saskatoon, Edmonton, Yorkton, Fort William, and has two new department stores in Winnipeg and Vancouver.

The Winnipeg store which was opened on November 15th, has a gross area of 15 acres, and was erected at a cost of over $5,000,000. The pure food department there, is considered to be the best of its kind in Canada. In Vancouver, the new unit now completed covers practically an entire city block and is six storeys in height.

Edmonton is another city where the company has been active, and already $750,000 has been spent there, in preparation for another huge unit. The work of construction is expected to commence actively in the spring. An exchange of lots was arranged with the city, whereby the company acquired a solid block of property for its developments.

This spirit of adventure in an old-established company like the Hudson's Bay organization is one of the best indications of Canada's future prosperity.

Montreal Water & Power Directorate is Changed

From Our Own Correspondent.

MONTREAL.—The recent change in the ownership of the Montreal Water and Power Company has naturally brought about the re-vamping of the board of directors. All the old directors but one, it is understood, have resigned.

The new board is as follows: W. Q. Stobo, of Quebec, G. B. Allison, W. H. Sutherland and also R. G. Libby, of Montreal, and C. M. Barnett and W. W. Wetherspoon, of New York, and S. H. Pitcher, the general manager of the company, who retains his seat on the board.

OPPOSITION SHOULD BE INCLUDED IN IMPERIAL CONFERENCE DISCUSSION

(Continued from page 1)

less powerful than the government of the day. In 1923, Mr. King went to the Imperial Conference backed by a majority in the House of Commons of one, and was in a minority in the Senate. During the recent elections, the Conservatives claim to have secured a majority of the votes cast. Premier Walter Monroe, of Newfoundland, told me the day of the inspection of the fleet that he was then awaiting definite word of a by-election held that day. If the opposition candidate were elected, his majority of one would have been wiped out. Some former cabinet ministers and at present very prominent members of the opposition in Great Britain stated very positively their belief that the Baldwin government would not be in power at the next conference in 1929. The wish may have been father to the thought, but there is undoubtedly internal dissension at work due to the cabinet being composed of men whose views are as wide apart as the poles on important matters of policy.

In Canada, Australia and South Africa, the cables which announced the conclusions reached at the conference, carried back an immediate reply from the leader of the opposition in each country disapproving most strongly of the conclusions which had been reached.

Commit Government to Legislation

I do not believe either Mr. King or Mr. Lapointe went to the conference with the slightest intention of bringing back any new "Magna Charta." They had not discussed the matter with their colleagues. They had just come through a hard fought election contest which had been preceded by one of the most strenuous sessions of parliament ever held. Yet without consultation with their colleagues or with the opposition who represent half the electorate, they committed their government to passing legislation which many able men feel is dangerous and may have far-reaching effects which it is difficult to foresee. Ten years from now we may be amazed that our delegates did not forsee significance of things which at that later date will be apparent to a child. We loaned to Great Britain during the war nearly a billion dollars. The agreement covering these advances was drawn and scrutinized by able lawyers and bankers; yet we failed to provide that the money should be paid back in the currency in which it was loaned and this omission cost us later millions of dollars. The agreement between Toronto and the Toronto Street Railway failed to provide what should happen in the new territory which the city might take in from time to time. Hon. Sam Blake, one of the ablest counsel of his day, drew up the agreement on behalf of Toronto but missed this important point. The case was carried to the Privy Council at great cost and loss to his client.

Without discussing here the merits of the "equal status" document, there is a very general feeling that Mr. King was precipitate in committing the government to a policy which had not been discussed in this country, and without having the advantage of getting the viewpoint and opinion of the opposition.

When Mr. King returned to Ottawa he tabled in Parliament a report giving results of Imperial Conference. In a brief address he used these words;

"We sought what we believed to be the Canadian point of view and I contend that this document as it is presented here does present the Canadian point of view on the matter of Inter-Imperial relations."

Mr. King was not reporting to the Liberal party nor does he indicate that he sought the Liberal point of view. If he had wanted a Canadian viewpoint, which would express the mind and feelings of the great majority of Canadians, he could have easily secured it by taking with him to the conference as one of the delegates the leaders of the opposition.

The speeches of Hon. Mr. Guthrie and Mr. Cahan in the House last week indicate that the bill will be fought bitterly when brought down when Parliament reassembles in February.

Takes Time From Debate

There are many important domestic questions on which there is bound to be a difference of opinion between the government and the opposition. The time spent on this debate means so much less time for constructive discussion and legislation on matters affecting trade, elimination of waste, economies to be effected, reduction in taxation, railway policy, etc.

Had the opposition been represented at the Imperial Conference, they would either have agreed to the policy advocated by the government or the government delegates would probably have hesitated to commit themselves without their support. There is no doubt all the delegates were not in agreement at the outset. From previous utterances, Bruce of Australia, Coates of New Zealand and Monroe of Newfoundland were not anxious to bring up question of status. Hertzog of South Africa and Cosgrave of Irish Free State were moving towards independence, yet all the delegates reached a unanimous opinion. It is quite possible if opposition members had been included that a full discussion would still have enabled them to reach a conclusion which would have had unanimous support, and which would have tended to keep Imperial Conferences' policies out of local politics.

The Government Service and YOU!

To the Citizens of Canada:

Year after year you pay taxes in order that the complicated machinery of national government may function. But do you know what YOU are getting for your money? Do you, as a business man, as a farmer, as a fruit grower, as an office worker or a factory worker, as a sailor — no matter what your occupation may be — know that there is a government department designed expressly to protect your interests and look after your welfare?

Do you know that every time a housewife buys an egg or a piece of meat a government department has taken steps to safeguard the health of her family?

Do you know that there are government experts to assist you in your own business?

Few Canadians know all they should know about their own country, about its operating machinery. All Canadians can be fully informed by reading the most comprehensive series of articles yet presented on the Daily Job of Government —

"The Government Service— and YOU"

by

Norman Reilly Raine

commencing

JANUARY 1

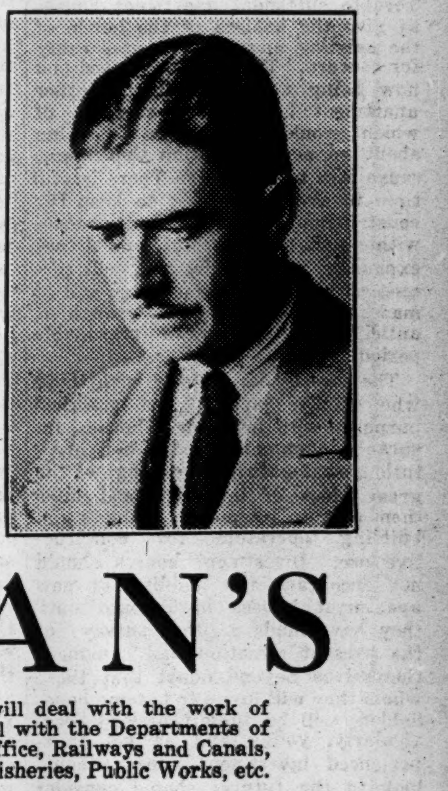
in

MACLEAN'S

The first article, "NURTURING OUR AGRICULTURE," will deal with the work of the Department of Agriculture. Subsequent articles will deal with the Departments of Finance, Health, Trade and Commerce, Labor, Mines, Post Office, Railways and Canals, Immigration and Colonization, Interior, Justice, Marine and Fisheries, Public Works, etc.

Ask your newsdealer to reserve you a copy of

10c. MACLEAN'S Canada's National Magazine 10c.



THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN.
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Managing Editor—FLOYD S. CHALMERS.

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

ADVERTISING RATES:
Single Insertion—$2.80 per inch.
Financial Reports, Debenture Notices, etc., 20c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada and the United States, $5.00 per annum.
United Kingdom, 21s.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143-153 University Ave., Toronto, 2.

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager. Rielle Thomson, Eastern Editor; WINNIPEG, 810 Confederation Life Building; NEW YORK, Room 1606, 1133 Broadway; CHICAGO, Room 1004, 168 North Michigan Boulevard. GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E.C., E. J. Dodd, director.

TORONTO, DECEMBER 24, 1926

PROTECT THE BONDHOLDERS

"SELF government in business" is the new formula of United States business. Leaders in industry and finance in that country have been made to see that when they keep their houses in order it will not be necessary for governments to do the job.

There is room for some self government at the moment in the construction of apartment houses in the city of Toronto. This is not a local affair. Those who have the greatest stake in Toronto apartment houses are the holders of the bonds that have been issued, in a large percentage of cases, to provide the major portion of the funds to erect these apartment houses. The bond holders are scattered all over Canada. Investors from coast to coast have the right to expect that their interests will not be put in jeopardy by incautious and indiscriminate erection of new apartment houses more rapidly than Toronto's growth and the indubitable trend towards apartment house life justifies.

There are, of course, many who will not admit that too many apartment houses are being built in Toronto and financed by the sale of first mortgage bonds to investors throughout the country.

They point to the fact that Toronto has fewer apartment suites than most cities of its size. They show how the prosperity of the individual Torontonian is increasing, making him seek better living quarters than he has been accustomed to. They point out how home building was held up during the war; how families "doubled up" in the period of housing crisis and high rents and how these surplus families are now seeking homes of their own.

All of these factors are sound and true. But it is equally true that the construction of new apartment houses to meet the situation has gone ahead so rapidly that there has been no quiet gradual adjustment from the old conditions to the new. Many apartment houses completed during the present year have been forced to reduce the rentals originally asked, in order to attract tenants.

The old law of supply and demand has entered; the fact that several apartment houses are not able to get the revenue that was indicated as probable, when the underwriters of their bonds issued circulars to the investing public, is evidence that there is a surplus of apartment house suites; a surplus that may be only temporary but that is sufficient to call for an exhibition of the situation before the construction of further apartment houses is attempted.

There are now definitely planned in Toronto sufficient apartment houses to give the holders of the bonds of the existing apartment houses cause for concern. There are projected and now being actively promoted other apartment houses, the erection of which would be enough to bring about an acute situation that might cause loss to investors. There is still time to avoid this loss; to keep the construction of apartment houses within such a measure of control that expansion in this direction will proceed within bounds of reason; will be made to follow the city's growth or anticipate it only by a reasonable period.

The remedy lies chiefly with those who supply capital; for practical purposes with investment houses, insurance companies and other institutions that gather the savings of the great mass of investors and turn them over to promoters, builders and building operators for constructive use. Investment houses should not encourage the building of new apartment houses in Toronto until they have made a broad survey of the present situation and convinced themselves beyond doubt that those whom they will invite to become bondholders will be fully protected. Particularly, young and as yet inexperienced investment houses should look to the future; should consider the possible effect to their reputation and business of if they should promote a building that might enter a period of even temporary difficulties. In the main, trouble will be avoided if investment houses decline to sponsor projects where there are not responsible parties in the background, controlling the junior securities and having a genuine financial stake in the enterprise; parties able to follow their project through in lean times and good.

There is ample protection for the investors in the existing and soundly established institutions of this type if common sense reigns in the immediate future. But it is unfortunate that their interests are likely to be endangered if apartment house construction is allowed to develop into a boom of unsound proportions. Real estate men, building operators and investment bankers should get together for "self government."

NOW WANT INTEREST

THE delays that attend the pursuance of any governmental activity are well known. Such a delay is costing Canadian automobile dealers upwards of $87,500 and they are asking the government to protect them from this loss.

In December, 1920, an order-in-council was passed repealing luxury taxes on automobiles. Canadian automobile dealers had in stock at that time some 7,500 cars, upon which they had paid the tax in advance. The government gave them at the time no refund on the taxes they had paid. Finally, at the last session of parliament, it was decided to refund their these taxes to the amount of $1,267,500 up to January 1 last. Parliament dissolved before the money had been provided. The dealers have not received it yet. Last week Parliament, it was decided to refund them time the dealers have been deprived of the use of the money for another year. They are asking now that they should be paid interest from January 1, 1926, to the date when they receive their cheques as well as up to January 1, 1926.

Their claim seems fair enough. If we admit the fairness of paying interest on the claims to January 1 last, the date taken for convenience in determining the claims, it should be fair to pay interest for the additional period during which the country has had the use of the money and the dealers have done without it. The weakness in the dealers' case is that the allowance was made on compassionate and not on legal grounds.

RAH! RAH! McGILL!

ONCE again, McGill University shows that it is alive to the functions which a university should fulfill and perhaps in one way is giving a lead to other Canadian universities. For several years past during the Christmas holidays, the University has put on an extension course in science for youngsters. The idea underlying this, of course, is to encourage the desire for scientific learning on the part of the youth of the nation. The production of another Dr. Banting in a generation would make this work of the University decidedly more than worth while.

These annual junior extension courses of the University are very popular and are always attended by more than 200 youngsters all of whom take a very keen interest in scientific matters.

The lead given by McGill University is being followed elsewhere and the University of Pennsylvania, for one has just announced a similar extension course during Christmas week. Those who are responsible for McGill's entry into this field are to be congratulated on their foresight.

BALANCED PRODUCTION

THAT fine old poem about the charge of the light brigade might be adapted to read something like this: "Commissions to the right of us, commissions to the left of us, volleyed and thundered." Twentieth century democracy turns invariably to a commission as a solution of its troubles and although there may be abuses, the practice in Canada has been on the whole a good one as long as there have been real problems to be solved, and competent men appointed to solve them. A recent example of a commission that has thoroughly justified itself, is the one which the Manitoba Government recently appointed to make a survey of the unoccupied lands in that province, as a basis for an immigration policy. The commission's report is heralded as one of the most important pronouncements on agriculture that has been made in recent years.

One phase of the report deals with the economic reasons why land is unoccupied and the answer is given that the recent exodus was due to an unfavourable price level for farm products. In other words, Canada merely suffered in common with other agricultural countries, and depression was due neither to the incompetency of the farmer, nor to unsatisfactory banking or commercial facilities. A further point of interest is the table which shows that the Canadian farmer has a distinct advantage over his American cousins in the matter of production costs. This advantage is due chiefly to higher yields per acre. The prediction is made, based on the estimates of cyclical movements, that we are on the up-grade in respect to agricultural prosperity and that the peak will be reached in the years immediately following 1930.

The second phase of the report makes a survey of the unused lands, and offers a definite solution to the problem as far as Manitoba is concerned. Briefly the solution is 'balanced production' which means that the time, rate and method of expansion, as well as the selection of land to be brought under the plough, should be controlled. This may mean drastic changes in our present methods of farming, but according to the commissioners it is the only way in which the catastrophes of the past can be avoided, and the only way to achieve for Canada a proper share in the prosperity that is shortly to be with us.

THE BETTER ARGUMENT

A WESTERN financial man writes to The Financial Post a letter, in the course of which he states, "We have no doubt that the opening up of our northland would be greatly aided by the completion and operation of the Hudson's Bay Railway. Such a development would be a great thing for Eastern Canada as you are in the industrial area and our settlers in the West would be only too pleased to spend their surplus with the manufacturers of Eastern Canada. It goes without saying that a prosperous west means a happy eastern industrial community."

This man strikes close to the one argument that is likely to win any support in Eastern Canada for the Hudson's Bay Railway. Most of the protagonists of the line have based their appeal for the Hudson's Bay Railway upon the West's supposed need for a fourth outlet for its agricultural products. Business men generally, in nearly every part of Canada, are as yet unconvinced that the West needs another outlet for its grain, although they admit that a generation or less hence such an outlet may be a pressing need. They are unconvinced even that the Hudson's Bay route is a practicable route. They are unconvinced because they do not know and have not been shown. Some of the chief advocates of the line have appealed more to the emotions than to the common sense of their listeners. That is one reason why it is to be hoped that Mr. Dunning will allow his English expert to discuss the whole question of the feasibility of the route, instead of limiting him to a discussion of the port to be selected. The Hudson's Bay route may be a good safe economical route but we do not know it yet.

When it is suggested that the Hudson's Bay Railway is needed to open up mineral, forestry, agricultural and other resources along the line a more practical plane is reached. If the On-to-the-Bay advocates were to see to it that a thorough survey of the resources along the Hudson Bay route were made and that plans were made for the opening up of these resources on a commercial scale, then Canada as a whole might see in the line a second T. & N. O. and give the project more support than it now has given it. What frightens most business men is the spectre of having to spend untold millions on completing the line, building terminal, with docks, elevators, etc., and putting in lines of steamers, all of which are likely to lose money at best and which may possibly prove utter failure.

SPENDING TOO SOON

EVIL of spending money before it is in hand is evident in the case of municipalities as well as individuals. The village of Fort Erie, which is on the verge of a great growth as a result of the building of the Peace bridge across the Niagara River to Buffalo, has been spending heavily for municipal improvements in the last five years. This year considerable sums were spent out of general funds for extensions to water mains and sidewalks. This late in the year the council found that it had not the money to pay for these works and decided to issue debentures rather than carry the sum over as a deficit which would displease the taxpayers on election day.

The councillors found that the debentures could not be isused without special legislation from the provincial legislature. C. E. Babcock of the law firm of Long & Daly, which passes on the legality of many municipal bond issues in Ontario, attended a meeting of the village council and suggested that there should be an audit by certified public accountants or the provincial auditor and that then a special act could be asked of the legislature.

Fort Erie's predicament, however, is not unusual. Provincial legislatures frequently have to pass special acts legalizing debenture issues to pay for capital expenditure originally financed through bank loans against current revenue, which revenue later has proved inadequate for the purpose. The trouble arises from the fact that councils spend heavily early in their fiscal years and do not strike tax rates until after large expenditures have been made. Then it is usually decided to permit deficits to stand rather than make a tax rate which will defeat those councillors who are ambitious to succeed themselves in office.

APPOINTMENT of Frank Kennedy as general manager of Canadian Rail and Harbor Terminals and of G. H. Rennie, as president and managing director of Canadian Department Stores, shows Canada offers opportunity to able young men.

University Women in Business World

University Woman Recommends College Trained Girl as Ideal Secretary, While Woman Who Employs Many Women Says Education Only Background

WHAT is the place of the university woman in business? Some time ago, The Financial Post discussed the college men and the business world in a group of articles. But in these days, when the universities turn out women lawyers, women "bachelors of commerce," women engineers and women graduates of the common or garden type, the discussion of the place of the college woman in business is equally important.

In the two articles below, Miss Margaret Thompson, head of the department of secretarial science at the University of Western Ontario, London, suggests to business men that the university trained woman has acquired something that will add to the efficiency of his office. Miss Thompson has been brought out from England by Prof. E. H. Morrow, to take charge of this new department, which will aim to give women entering business a cultural background tempered with practical training. Without definitely denying Miss Thompson's premise, Mrs. E. Cooper, chief of the stenographic division of the MacLean Publishing Company, Toronto, tells frankly her experience with university women. Mrs. Cooper has employed and trained many women, with and without college backgrounds.

The Financial Post does not profess to know the answer to the problem of the university woman versus the girl of more practical training. It does know that a university training is not in itself the key to business success for a woman any more than for a man.

Pays to Use Best in Buying Brains

By MARGARET THOMPSON,
Head of Department of Secretarial Science, University of Western Ontario, London.

"DAUGHTERS are the thing," William Dearth and his little dream daughter tell one another enthusiastically in 'Dear Brutus.'

"But not in business," groans the harassed employer as his despairing eye lights on his sprightly stenographer's fourth spelling error in the third edition of the first letter of the day's correspondence.

It is the old problem. Where are efficient women to be found to ease the routine burden of the business man?

Thousands of girls enter commercial life every year, and still the majority of employers are faced with the dreary task of dictating even their most trivial letters word for word, and that without the hope of being able to sign them without a wearisome perusal of every line of the rather badly typewritten production. Where does the remedy lie? In the University woman? She, not undeservedly, has gained the reputation in business of being unpractical, inaccurate, and unwilling to learn. Her mind has not been steered into business channels, and her superior education avails her nothing.

Produce Well-Worded Letters

The solution seems to lie in employing a woman whose University training has fitted her for business. Her course, besides making her a good stenographer, should make her capable of producing well-worded letters; of dealing with matters of finance; of interviewing difficult callers, and mollifying the wrath of impatient clients; of acting with judgment and discretion; and of organizing office routine with a maximum of efficiency.

If Margaret Dearth was a dream daughter, this seems to be the dream secretary. That she does exist in more or less rare instances has been abundantly proved, but a steady supply is urgently called for. The efficient secretary can make for herself an exceptionally interesting and remunerative career. She must realise at the beginning that experience must be bought, and accept a moderate commencing salary. No training in the world can be a substitue for experience; but it can teach the surest, swiftest way to utilize experience, and to mount from the inevitable low rung with a quick, firm tread. The majority of women are paid exactly what they are worth.

On the other hand, employers will find that it pays to use the best— the educated, cultured woman with a sound business training, who whilst facilitating his routine work will actually contribute to the progress of his business. A wide future lies before this woman, bounded only by her capacity for work along the right lines.

College Training Not Key to Success

By MRS. E. COOPER,
Chief of Stenographic Division, MacLean Publishing Company, Toronto.

ARE university women a success? If they are it does not seem to be because of their university training, but in spite of it. From close observation under actual working conditions over a period of years, apparently the girl who is an outstanding success in business after Varsity training, would make the same success with a public school education and a good business course. It is after all the girl, not the education; the material, not the treatment. No matter what treatment is given it is not possible to carve a marble statue out of a block of wood, so the Dream Secretary will not of necessity be materialized through varsity training.

Some spelling produced by girls holding brilliant degrees, indisputably clever girls, is not greatly in advance of that of the public school business-course girl. Possibly the 'ologies and sciences crammed in to assist in the production of the brilliancy, have in turn crowded out the plainer, but very necessary knowledge of the simple three R's. After all, the first essential for a girl aspiring to be a secretary is to be able to accurately spell and write grammatical English;—in that she may, if necessary, direct the faltering words of her superior!

High School Girl As Good

A girl with senior matriculation, or even a really well grounded high school girl, with a good business college course, should, and does, make just as efficient a secretary as the University graduate. Further, she has this advantage—and it is a tremendous one—she enters the business world when she is younger, more adaptable and less likely to be conscious of her acquired fund of knowledge. She is easier to train, falls easier into line, adopts a less supercilious attitude towards her fellow workers, is a better mixer. This is an important qualification, particularly in a large organization. During even 4 years at university it is only possible to skim the top of some of what there is to be learned—and a little knowledge is a dangerous thing—in an office. Ask the average graduate why she is seeking work in the business world and she will reply with a question "What else is there to do but teach?" Ask one of the many teachers who apply for for work in an office "Why, after spending years of training for a teacher, forsake it for office work?" and she will reply "Can't get work. There are too many teachers."

Her Education Not Everything

Can the business world advantageously absorb so many college girls? Unless conditions change a great deal, no! At least, not at the high salaries they have a right to expect, after years of expensive training. A girl secures her degree and leaves college or perhaps has taken only a one or two year course. Then she takes an abbreviated business course, leaves college with a business knowledge only equal to that of a junior stenographer, worth, say, $15 per week. Until she has had the actual business experience, the slogging, uninteresting training, she is not going to be worth more. She cannot write business letters without dictation, any more than a junior stenographer can, because she does not know anything about business. The fact that she does know something about correct construction of sentences and spelling, (perhaps) will not help her to explain to an engineer why he should use a rawhide pinion instead of a steel one. It will not help her to interview callers for her principal or talk intelligently about the placing of an advertisement. No!—only actual training under business conditions can give a girl sufficient poise and knowledge to be a real asset in the business world. Donald Kirk David assistant dean of the Harvard School of Business Administration, in an address made at the Associated Business Papers' meeting in New York said they teach that business education to be worth while must turn out men understanding that whatever they have, whatever their background may be, they cannot get anywhere unless they pass through a personal probationary period in business.

That being so, the Varsity trained girl must be prepared to start as a junior and rise to what? Frankly, there are not enough highly paid positions in the business world to merit all this preparation. In all large organizations and in many small ones there are many positions calling for moderately priced help; routine work that only requires an average brain and average education. It is necessary work; very necessary some of it, but equivalent to laborer's work in the mechanical world. It will always be so.

Education Not Success Key

Copy books tell, advertisements for business colleges tell it from the housetops, that a good secretary or stenographer can rise to great heights. Occasionally they have the opportunity and in those rare instances where they are promoted to position as manager or assistant manager, it is because of the very thorough knowledge of the technicalities of the business, and that knowledge is not acquired in a university. Education in its truest sense is a wonderful qualification, but to be complete, it must not cease when the college course ends.

So if it is money the university girl has in mind in entering the business world, she should consider carefully the comparatively few highly

(Continued on page 11)

Stock Market Transactions

Opinions
only
after
investigation.

All Stocks All Markets

Cochran, Hay & Co., Limited.
INVESTMENT BANKERS
TORONTO
Dominion Bank Bldg.
KITCHENER 58 King St. West
LONDON 202 Dundas Bldg.

J. STRATHEARN HAY,
Member Toronto Stock Exchange

Government Municipal and Corporation Securities

Are You
Getting the
Most from
Your Investments?

Investment consultation by telephone or letter.

R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO
Members Toronto Stock Exchange

ON THE rue de Rivoli in Paris, there stands a monument to the Huguenots; the conception shows an anvil with a number of broken hammers. The inscription freely translated is:

"Hammer away ye hostile bands,
Your hammers break, God's anvil stands."

The remembrance of this flashed through my mind just now as I was thinking of the Christmas message that I might send to my friends.

I cannot help but reflect that we seem to be losing sight of the inner meaning of Christmas. As I walk about the streets of Toronto the impression upon me is that of a concourse of merchants yelling in the market place "Buy, buy, buy—buy something, but *anything*, so long as you buy—and give to your friends—because Christ was born! Some of them even reduce the formulae to *Xmas!* And again I think of that inscription:

"Hammer away ye hostile bands,
Your hammers break, God's anvil stands."

How often, I wonder, during the festival of the Christmas shall we remember that, had it not been for Christ, there would have been no Christmas? Surely amidst the clamour we should remember that it is to Him we owe this day.

The materialist and all the other "ists" who believe in celebrating the Festival of Christmas or who try to capitalize Peace on Earth and Goodwill towards Men must give thought, if only for a moment, to Christ; He whose teaching no man can find fault with, no matter what his religious convictions or lack of convictions may be.

Materialism flourishes. This is the Age of Business. Nothing else matters and yet, once a year, a world celebrates the birth of the Christian era. I wonder why? My reflections cause me once more to think of these challenging words:

"Hammer away ye hostile bands,
Your hammers break, God's anvil stands."

Thornton Purkis

330 Bay Street, Toronto
December 20th, 1926.

International Milling Company

7% Preferred Stock

A circular dealing with the progress of International Milling Company over a period of years has been prepared. This deals with its progress, particularly from the standpoints of earnings, assets, working capital, profit and loss surplus and reserves, all of which have shown substantial growth.

Many Canadians are interested in International Milling securities, the bulk of the preferred stock being held in Canada. The holders of the stock who have received annual statements year after year are thoroughly familiar with the fine progress made by the Company. The character of the preferred stock prompts us to draw more general attention to its investment merit.

Descriptive circular on request.

A. E. AMES & CO.
LIMITED

Investment Securities

53 KING STREET WEST TORONTO
TRANSPORTATION BLDG., MONTREAL
BELMONT HOUSE, VICTORIA, B. C.
LONDON BLDG., VANCOUVER, B.C.
11 WALL STREET - NEW YORK
GRESHAM HOUSE, OLD BROAD ST. LONDON, E.C.2, ENG.

Business Established 1889

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply.

Montreal Tramways

Would I be safe in buying some of the 1941 bonds of Montreal Tramways?

The 1941 Montreal Tramways 5 per cent bonds are a first mortgage on the tramways in Montreal. There are some $23,000,000 of these bonds outstanding at the present time, and, moreover, there is a second mortgage of some $17,000,000 on the system. Earnings are increasing annually and we believe that you would be quite safe in purchasing one of these bonds.

York Parking Garage

Will you please advise me as to the status of York-Adelaide Realty Co., 7 per cent. bonds, due December 1st, 1945, sold through W. A. McKenzie & Co., Ltd., of Toronto?

We understand that a good measure of success has fallen to the lot of the York parking garage which is the property of the York-Adelaide Realty Company justifying its erection and the issuance of the bonds. The issue was brought out by reliable interests and we consider it a reasonably safe investment

Gatineau Power

A bond salesman wants me to buy some Gatineau Power Bonds. Would this prove a suitable investment for me?

The first mortgage 5 per cent. bonds of the Gatineau Power Company, due 1956, we believe to be an excellent investment. The position of the bonds is further strengthened, as the company has a contract with the Ontario Hydro-Electric Power Commission, which alone will produce annual net earnings by 1931, equal to over 1.8 times the annual interest charges on the entire issue of bonds. Thus, in one sense, the undertaking of the province of Ontario assures the payment of interest.

Eastern Dairies

Please give me your opinion of the preferred shares of the Eastern Dairies, Ltd. I have fairly large holdings of high grade bonds and gilt edged common stocks.

The purchase of the preferred shares of the Eastern Dairies, Limited, carrying a bonus of common stock, looks like a good investment for a business man. We understand that this year, earnings of the component companies show an increase as compared with 1925. As the dairy business is such a fundamental factor in our modern urban civilization, we would say that the earnings of the preferred seem to be well assured, and the common stock gives promise of appreciation in the years to come.

Cities Service

I have been approached to buy Cities Service shares. Do you consider them a safe investment?

Cities Service Co. preferred shares are, as a business man's investment, yielding about 6 per cent.

Winnipeg Electric

Are Winnipeg Electric bonds a good investment?

What do you think of Winnipeg Electric common shares?

The Winnipeg Electric Company has three mortgage bond issues outstanding. We believe that any one of these issues would make a satisfactory investment for you, for the record of public utility bonds has been very satisfactory in the past and the earnings of the Winnipeg Electric Company are at the rate of about twice the bond interest requirements. Yes, there is a market for these bonds, and any investment house will quote a buying and selling price, so that you can see the spread between both.

The common shares of the Winnipeg Electric Company we regard as an excellent investment—provided you are willing to buy them outright and put them away in your safety deposit box for two or three years. The outlook for this company is very satisfactory.

Chase Medicine

Will you advise upon the Dr. A. W. Chase Medicine Co. stock? Who are the main people in this? How do they stand financially? Have they lately sold stock to the public? Why is it necessary for them to raise money in this way?

The president of the company is W. J. Stone, who apparently is some relative of Wm. Stone, a director in Toronto who is connected with an old established lithographing company. With the exception of C. S. Morrow, the other directors are all American. Ira Bates has been head of the concern heretofore. He is now a director.

We have no information as to whether or not high pressure salesmen have been used in distributing this stock around the country.

The company's earnings in recent years have been good, but the investment must be considered speculative, and can be recommended only to an investor with adequate reserves of other good securities and then only for small participation. The preferred is quoted on the unlisted bids at around 80 and the common at from 5 to 12, so that a par sale of the preferred even with a bonus of 100 per cent. common, would be a high price at the present market value.

The Chase Medicine Co. has been established for a number of years, both in Buffalo and in Toronto, and sales have been maintained in considerable volume.

Automotive Credit

Can you give me any information about the Automotive Credit Corp., Toronto?

The head of the Automotive Credit Corporation of Toronto is John Bridge, who controls the Ruggles Truck Corp., formerly of London and now of Toronto. The bonds sold by the Automotive Credit Corp. apparently are safe enough, in view of the fact that they are insured against failure to pay by a British insurance company. It is possible, however, that the insurance feature might be cancelled.

Mortgage Discount

One of our clients is interested in Mortgage Discount Co. Will you please let us have your opinion of the Company? and oblige.

The Mortgage Discount Co. is doing fairly well and is excellently managed. Its annual statement will be published about January 3rd and more information may be obtainable at that time. The real estate market in Toronto, unfortunately has not been very good in the last year, but the company in good years built up sufficient reserves to carry it over one or two years of bad times without serious results ti the shareholders.

Second Mortgage

Can you recommend a financial house which advances funds on second mortgage on property outside the city of Toronto at reasonable interest rates? I also would like the name of firms which would consolidate first and second mortgages into one mortgage.

None of the mortgage companies doing business in Toronto take mortgages on property outside the city.

We would suggest that you get in touch with your local solicitor. Lawyers frequently know persons with money to loan and there usually are people in the localities which are willing to loan on second mortgage in view of the higer interest rate which usually prevails. The same lawyer probably could put you in touch with some party or parties who would be glad to consolidate a first and second mortgage at a reasonable valuation.

Seagram's

Would thoroughly appreciate it if you can give me any information regarding the recent issue of Seagram's, as well as your criticism of the stock as a speculation.

The issue of stock in Seagram's appeals to us as having very good speculative possibilities. A good board of directors has been elected to the company and it evidently has obtained good management. Good conditions in the province of Ontario should make the profit possibilities ahead of the company much improved, and given more aggressive management than it has had in recent years it should considerably increase profit and make the larger capitalization prove to have been justified. The issue has advanced from the original offering price of 15 to above 17 which is evidence that it is becoming well absorbed.

United Bond

As subscribers to your paper can you give us in confidence any information as to the class of bonds sold by the United Bond Company of Windsor, Ontario. Could they be considered an investment for a business man, worth $20,000 to $25,000?

The United Bond Company of Windsor, Ontario, is operating on a sound and conservative basis, we believe, and many of the bonds which they offer could be purchased with confidence, particularly by an investor of the type you mention, one who has some $20,000 to $25 000. It is not necessary for him to hold to the most conservative possible type of investment such as government and municipal bonds, so long as he keeps a proportion of his holdings in that type of securities. The larger interest rate afforded by the bonds of the United Bond Company is an attraction not to be overlooked.

American Solvents

Would you be kind enough to give us your opinion of the following:

American Solvents & Chemical Corporation. Ten year 6½ per cent. S. F. Debentures, due March, 1936, with Stock Warrants attached, entitling the holder to purchase the preferred stock at the fixed price of $40 at any time whilst holder of the debenture prior to maturity.

The American Solvents & Chemical Corporation was incorporated in 1926 (February) to acquire three other companies, which together are the second largest producers of industrial alcohol in the United States. The industrial alcohol business appears to be prosperous with a fairly good future.

The ten year 6½ per cent. sinking fund debentures due March, 1936, are apparently amply secured. The indenture provides that without the consent of holders of two-thirds of outstanding debentures, the corporation will not create or permit any subsidiary company to create any mortgage or other lien upon its property. No dividends may be paid on common stock if such payment will reduce current assets to less than 200 per cent of current liabilities or net current assets. The preference stock is preferred as to assets and $3 dividends, it is participating in the dividends payable on the common. The preferred is convertible at any time into common stock share for share. unless preference stock has been called for redemption. Each share of preference has two votes, each share of common one vote. Owners of warrants attached to the debentures have the privilege of paying for preference stock with debentures at par and accrued interest. There is a liquidation value of $40 a share and dividends, and the preference stock is callable at $60 per share and dividends.

The issue appears to be a good grade of industrial security.

Manufacturers' Finance

Kindly give me a rating of Manufacturers' Finance Corp and Federal Mortgage & Finance Corp.

The Manufacturers' Finance Corp. is well managed, and has a reasonably good chance of success.

The preferred stock of the company, however, is being sold in the open market at somewhat below the price offered by the company to prospective shareholders. This is not due to any fault of the management and there is a fairly good chance that the stock will appreciate in value.

Federal Mortgage and Finance Co. does not appear in any directory we have at hand. There has been in Toronto a Federal Finance Co., but we are informed that this company has not been functioning for three and a half years, and is not offering any stocks or bonds to the public.

Debenture and Securities

I would appreciate having your opinion as to the comparative values of the 4 per cent. debentures and the preferred and common stocks of the Debenture & Securities Corporation of Canada. I have ten shares, 50 per cent. paid, of the Canadian Mortgage Investment Co., and would like to have you advice as to the best way to convert or dispose of them.

We think that shareholders of Canadian Mortgage Investment Co. would be well advised to accept the offer of the Debenture and Securities Corp. to transfer their stock into the company. If they accept the 4 per cent. debentures, they will have an excellent, well secured investment, which will return to them their entire capital in ten years. They will then be out of the company entirely.

If they accept the preferred redeemable stock they get a higher investment return. For the investor wanting the most conservative type of investment the debentures should be chosen. For the investor in a position to gamble something on the speculative chances, the ordinary stock has its attractions and between the two lies the preferred stock.

To Sell or Hold

I am now holding 10 shares of both Laurentide and Canadian Industrial Alcohol I naturally have a nice profit on both securities Should I sell now or should I hold on?

Neither we nor anyone else can tell you the immediate future course of the market for any individual stocks. We can tell you though, something of the position of both companies. If you bought these stocks for a quick appreciation on the market, you now have it. Therefore, why not sell? If, on the other hand, you bought these securities for a long term hold, our view is that Canadian Industrial Alcohol is still worth holding. There probably will not be any immediate increase in the market price but over the long term we believe that with the probable acquisition of the Hiram Walker distilleries, earnings will increase. The stock looks to us to be a satisfactory investment for a business man, and, moreover, has a decidedly attractive speculative lure. In other words, we feel that a year hence, there is more than a possibility that the stock will sell at a higher level.

For the past two months there has been much talk about the Laurentide Company entering some merger. However, no official information confirms such a move as yet. If it does take place, you would probably obtain a very satisfactory price for your stock.

Presuming that Laurentide does not enter a merger, its shares will fluctuate in sympathy with the demand for newsprint in the United States during the coming year. At the moment there are many who feel that 1927 may see some surplus production of newsprint on the market. This would tend to reduce the earnings of the various companies. At present, we do not see much hope of any substantial, early appreciation in newsprint securities, except those companies which might participate in a merger. Laurentide, with its subsidiary power company and its conservative accounting methods occupies a very strong position.

Two Besco Securities

I have some notion of speculating and purchasing either Dominion Steel preference at $22 or Dominion Iron and Steel preferred at $5 per share. Please give me your views on such a purchase and let me know when the government will arrange the reparation claims of the corporation.

Plans are in the making for a reorganization of the capital structure of the British Empire Steel Corporation and all its subsidiaries. This means that all the various classes of security holders—and there are many—must come to an agreement amongst themselves and also with the British Empire Steel Corporation, regarding the scaling down of many of these securities.

You can see that the working out of any such plans will require time. It may be six months before anything definite is announced.

The actual value of the preferred shares of either the Dominion Steel Corporation or the Dominion Iron and Steel Company depends entirely on how these shareholders fare in the forthcoming reorganization.

While the Dominion Steel Corporation still controls the Dominion Coal—one of the foundations of the Besco industries—yet, the Dominion Steel has obligations, as it guaranteed some of the bonds of the Dominion Iron and Steel.

So that, what the shareholders may gain through still retaining control of the Dominion Coal Company, they may lose in part through guaranteeing these bonds.

Unfortunately, we have no idea when the reparation claims will be adjusted.

Book Reviews

Portraits and Portents

A. G. Gardiner, who does very well that type of book made up a series of sketches of people in public discussion, has given us in "Portraits and Portents" an excellent collection. There are 37 people brought under Mr. Gardiner's spot light this time and they are a mixed assembly, having one quality common to them all, that of being interesting. Politicians do not hold the centre of the stage for Baldwin, Inge, Mussolini, Bennett, Chaplin, Lenglen, Hobbs, Chicherin, Caillaux, all walk behind the footlights together.

This is a book that will invite controversy as much as it will invoke approval.

Gardiner was steeped in the Liberal atmosphere of the "Daily News" too long to write without much sympathetic appreciation of his most particular friends of that era. Nevertheless the pictures are done with neatness and precision and each one brings out some new characteristic of its subject, of which we are glad to learn.

The temptation is strong to quote many of Mr. Gardiner's neatly turned phrases, which tell what volumes would fail to say about these present day celebrities who make up the subject matter of the book but that would be robbing them of the setting of a brilliant context.

You may not like Mr. Gardiner himself but you will probably enjoy his book. It is a relief after whispered revelations.

Published by Musson Book Company, Toronto. Price $3.50.

The Port of Montreal

A most comprehensive review of the port of Montreal, its problems, achievements and possibilities, is contained in a monograph prepared by Laurence Chambers Tombs, M.A., which has just been issued as volume No. 6 of the McGill University Economic Studies. It is entitled "The Port of Montreal."

This book recalls the early history of the port, and is well illustrated with pictures and contains complete tables and statistics, with ample foot notes, covering the facilities, charges, tonnage and business of the port. Comparisons with the business and facilities of competing ports are also given. The origin and basis of the present frieght rates and arrangements to and from the interior of the continent and the competition and growth of the railways and ports are fully described.

The various deep waterway schemes, on which the United States is anxious to sink a preliminary sixty million dollars, are clearly explained. "The Great Lakes-St. Lawrence Deeper Waterway," "The Georgian Bay Canal," "The Illinois-Ohio-Mississippi Waterway," "The 'All-American' Ship Canal," "The New York Barge Canal System," and the establishment of a sea-port at Albany, N.Y., are followed by the "Transcontinental Railway and Quebec," and "The Hudson Bay Route." Arguments are given pro and con, and their possible effect on Canada and the port of Montreal. Nothing has been overlooked.

Attention is drawn to the necessity for imports, and the establishment of a "free port" is recommended. There are copious references and authorities and the most of the information compiled has never before been available in so complete and concise form. It is surprising to find so much historical method in a work which one would expect to be treated entirely from an economic point of view. It is exceedingly well written and provides a brief and attractive history of the development of Canadian trade and transportation from the time of the fur traders.

In short, the volume contains everything relative to the subject and will prove of infinite value to those desiring to obtain the real facts which underlie and which surround the greatest port of the Dominion.

Published by Macmillan Company of Canada, Toronto. 75 cents.

UNIVERSITY WOMEN IN BUSINESS WORLD

(Continued from page 10)

paid positions open to women. Not very long ago an old man died on a farm not 100 miles from Toronto. He was worth $80,000 and could not sign his name on his will. He had never learned to read or write but had amassed by the labor of his hand a tidy fortune. Perhaps manual labor pays best!

The Greenshields Review

A concise summary of financial and commercial conditions in the Dominion, this publication is valuable to anyone interested in the fundamental factors affecting Canadian securities.

Copies of new December number will be mailed at your request.

Ask for Review 4

Greenshields & Co

Members Montreal Stock Exchange

17 St. John St., Montreal
also Mount Royal Hotel Building

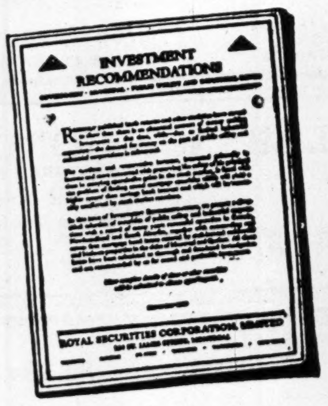
TORONTO 14 King Street E.
OTTAWA 46 Elgin Street
QUEBEC 80 St. Peter Street

45

December "Investment Recommendations"

Investors will find our December issue of "Investment Recommendations" of particular interest and value in selecting sound securities for the re-investment of January investment interest and dividend funds.

Write for a copy today


INVESTMENT RECOMMENDATIONS
ROYAL SECURITIES CORPORATION, LIMITED

Royal Securities Corporation
LIMITED
164 St. James Street, Montreal
Toronto Winnipeg Halifax Vancouver Saint John New York Quebec

Analysis of Investment Holdings

Just as an annual inventory is necessary to successful merchandising, so is a periodical survey (and analysis) of holdings important to careful investors. It enables them to maintain an accurate knowledge of the position of their securities and of any important changes that may have occurred.

The services of our organization in this respect are gladly placed at the disposal of investors. If you care to provide us with a list of your present holdings, we will be glad to report upon their current market position and to make any suggestions that seem advantageous. This service, of course, is rendered without obligation.

Correspondence is invited.

Wood, Gundy & Company
Limited
36 King Street West, Toronto

Essentials

INTEGRITY, Experience, Financial Stability, World-wide Connections—place them in what order you will—all must be combined in the organization that can give the highest type of Investment Service.

The National City Company
Limited

Head Office
Montreal

St. James and
St. Peter Streets

10 King Street East
TORONTO

204 Blackburn Bldg.
OTTAWA

71 St. Peter Street
QUEBEC

177

Electric Giants Honor Business Paper Publisher

(Continued from page 1)

the industry. He has had a real part in building this great structure of better living and comfort in our country."

Elbert H. Gary, chairman of board, United States Steel Corporation.—"I wish to extend to you, on the occasion of your birthday, best wishes for continued good health, happiness and prosperity. Your 40 years of devoted service to the best interests of Engineering and Industry is a matter of general knowledge, but your valuable contributions to the cause of National Defence, particularly in sponsoring the movement for industrial preparedness, is known to but a limited circle. I want you to know, however, that the members of the Advisory Board appreciate the assistance rendered by your publications, under the inspiration of your personal interest and leadership.

Magnus W. Alexander, president, Industrial Conference Board.—"This dinner is fittingly being tendered to you because of the forty years of splendid service which you have given to Engineering and industry."

Owen D. Young, Chairman of Board, General Electric Co.—"All of us in the electrical industry would like to pay our personal tribute to you and make grateful acknowledgment of your service to the industry."

Dwight F. Davis, Secretary of War.—"The War Department recognizes the substantial help it has received from you personally, and from the organization of which you are head, in its program for effecting a reasonable degree of industrial preparedness in the United States. Your various publications have, by editorial support and by printing articles of great informative value, interpreted the policies of the War Department to American Industry. As a result of these activities much greater progress has been made than would otherwise have been the case."

General Guy Tripp, head of the Westinghouse Electric & Mfg. Co., spoke on behalf of the electrical manufacturing interests. He stressed the value to the electrical industry of the publications Mr. McGraw had established. Their field was limited by the knowledge possible users of their goods had of them. Business publications had increased the knowledge and thus widened the field. Mr. McGraw was a sane idealist. He was the type of man he was always glad to see in his office. He had imagination and his publications gave leadership which helped them materially to go forward on a safe and sure basis.

Business Papers Help Greatly

Willits H. Sawyer, president of the American Railway Association, referred to the great development that had taken place in electric railways during the past forty years. They had had many problems but the business newspapers had been of the greatest assistance in solving them; they had gone to them often and they had never failed them.

Dexter S. Kimball, Dean of College of Engineering, Cornell University, said he could speak as a practical engineer and as a teacher. He had always found business newspapers most valuable. The past fifty years had seen a great era of expansion and industrial prosperity and he felt that the primary cause and most important factor in the high degree of efficiency secured in American business had been due to the practice of recording experiences and publishing them in business newspapers and technical books. Business newspapers had the great advantage of giving one information quickly and to a very large number of interested people. Mr. McGraw had been a pioneer and a leader in this work. The written word was more powerful than the spoken word. Homer's Epics have been passed down to us exactly as he wrote them. Justinian, Emperor of Rome, had his governors set down their experiences and they have been read and used by rulers of many countries. Medicine has made its big advance since the time when investigators began to set down and publish in journals and books the results of their experiments. Before the advent of the business paper, it was a laborious job to print and distribute information but with the building of railroads and with improvements in typesetting machines and printing presses, it has become an easy matter to distribute quickly information regarding methods that are being employed by successful men. Nowhere else in the world are men so free in giving out information regarding their business and the methods they are employing as on this continent. Mr. McGraw had exercised great leadership in his publications in securing practical information of great value and establishing the principle that every business man gains who can exchange his experiences for those of hundreds of others in similar lines of business.

Value From Business Papers

Chas. L. Edgar, president Edison Electric and Illuminating Co., spoke for central stations. He was a very old friend of Mr. McGraw. He had read his publications and got great value from them. It was not sufficient to give out information, it must be written in an interesting manner. There had been the same advance in business paper publishing that there had been in distribution of electrical energy for power, lighting, cooking, etc. Mr. McGraw's first concern had always been for his readers.

Mr. Mehren, vice-president in charge of editorial work at McGraw Hill Co., emphasized Mr. McGraw's passion for accuracy and thoroughness, his insistence on a production of very superior quality. He always had faith that any department which could be made of real service to readers would eventually prove profitable.

Surface Only Scratched

Mr. McGraw spoke feelingly of his keen appreciation of the tribute which had been paid to him and through him to the value of the business newspapers. He felt there had been great development but they had only scratched the surface. Business newspapers were founded on a sound basis of business economy. They had passed from the experimental stage and this great gathering was proof of the fact that they were recognized as part of the industry they served. The man who would succeed must pay the price in hard work and sacrifice. He had worked hard, but his reward had been the friends he had made and the growing and steadily increasing recognition of the usefulness of business newspapers.

AMERADA CORPORATION

Net earnings for the third quarter after depreciation and depletion and taxes were $1,494,942 against $1,390,231 in the second quarter. The third quarter earnings were $1.83 per share on 814,000 shares outstanding September 30, against $1.95 in the second quarter on 713,000 shares. Net earnings for nine months totalled $3,696,802, or $4.54 per share on 814,000 shares against earnings for entire year of 1925 of $2,498,428 or $4.24 per share on 588,300 shares outstanding December 31 last. Earnings for the nine months of 1926 on the average of shares outstanding in the period were $5.19 per share.

BOND MOVEMENTS OF THE WEEK

Week Ending December 21

Bonds—	Int. Rate	Due	Yield	Range, 1925 High	Range, 1925 Low	Range, 1926 High	Range, 1926 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, G. Mtge.	6	1956	6.91	.....	...	88¾	81¾	88½	88	88¾	88⅛
Canada Cement	6	1929	5.27	103	100	102¼	100½	103	101¼	102⅛	...
Cedar Rapids	5	1953	5.00	99⅛	97	101½	98⅛	100	...	100	...
Cons. Rubber	6	1946	5.74	101	95	103	100	...	102½	103	102¾
Montreal Trams.	5	1941	5.14	98	97	102½	96½	99¾	98¾	98⅜	...
Do., "A"	5	1955	5.34	98	92⅛	95	93	94¾	94½	95	94½
N. S. Steel	5	1959	8.99	73½	73½	58	56	57	51	58	...
Ogilvie "B"	6	1932	5.11	106	104	105½	103	...	103¼	104½	...
Quebec Rly.	5	1939	5.00	98	89¾	100	91⅞	...	97¾	100	...
Wayagamack	6	1951	6.07	98¾	84¼	100⅝	91¾	100	...	99	...
War Loan	5	1931	4.75	102.65	101.80	102.40	100.35	101.20	100.95	101.29	101.00
Do.	5	1937	4.60	104.95	103.80	104.65	102.75	103.35	103.10	103.15	103.10
Victory Loan	5½	1927	4.55	103.15	101.05	101.75	100.00	100.95	100.70	100.80	100.55
Do.	5½	1933	4.80	107.00	105.10	106.80	103.65	104.20	103.95	104.30	103.80
Do.	5½	1934	4.96	104.80	103.25	104.10	102.15	103.40	103.15	103.40	103.00
Do.	5½	1937	4.60	110.00	108.05	109.30	106.90	107.55	107.30	107.60	107.10
Do., Renewal	5½	1927	4.95	102.65	100.90	101.75	100.00	100.70	100.45	100.65	......
Do.	5½	1932	5.00	104.20	102.10	103.40	102.00	102.60	102.40	102.60	102.35
Do., Refund	5	1928	4.95	101.40	100.10	101.30	99.00	100.25	100.00	100.10	99.90
Do.	4½	1940	4.86	97.30	96.00	96.70	95.60	96.65	96.40	96.40	96.10
Do.	5	1943	4.82	102.95	101.20	102.60	101.15	......	102.30	102.60	102.10
Do.	4½	1944	4.80	97.75	94.95	97.15	95.75	96.65	96.80	96.45	96.10
Do.	4½	1946	4.77	.....	......	96.80	95.65	96.65	96.75	96.40	95.95

News of Investment Markets

NEW CHAIN STORE GENERAL MANAGER OUTLINES PLANS

G. H. Rennie Sees Present as Day of Chain Store

That retail business evolution is along the line of chain store selling, is the contention of G. H. Rennie, the first president and the general manager of the Canadian Department Stores, Ltd.

Mr. Rennie gave up the post of assistant general manager of the Robert Simpson Company to assume his new post. Canadian Department Stores is purchasing the businesses and premises of some 22 department stores, chiefly in Ontario. The company will operate these stores as chains from a centrally located office in Toronto, in charge of Mr. Rennie.

The new company becomes operative on February 1, and is being financed through Municipal Bankers' Corporation, Toronto.

In an interview with Canadian Grocer Mr. Rennie outlined his reasons for connecting up with this brand new idea in the department store field in Canada—as this is the first chain of department stores in this country.

"I consider it is an adventure in business for me," he said, "but I am convinced that it is along the right lines, since business is tending to that method of retailing which will eliminate waste and overhead, which enables buying to be done in the cheapest markets and which co-ordinates selling effort. This means chain stores centrally controlled from the standpoint of expense, buying and selling."

Buy From Toronto Office

Mr. Rennie pointed out that the buying would be looked after in the head office in Toronto, the location of which has not been decided upon as yet. He believed that from the start at least 70 per cent. of all the buying could be done in this way. As is being done in the grocery trade, store supervisors will be appointed to check up on stocks and sales at regular intervals. Mr. Rennie, however, made clear his ideas as to the distinction between grocery chains and a department store chain. Grocery stores were grouped chiefly in large centres and in various districts in these centres. This method permitted of the adoption of trucking facilities to each store. Whereas the stores in the Canadian Department Stores were all over the province and an entirely different problem was presented. He referred also to the fact that the company was taking over local stores rather than opening stores in competition with them. This he maintained, would be of considerable assistance to the future of the various stores from a "local pride" standpoint, although he did not put as much faith in the importance of local pride as in values. It was the dollars and cents that counted these days and business must be operated accordingly.

As far as local connections were concerned, Mr. Rennie stated that these were not being considered in the taking over of the stores, that there was not a dollar paid for the good-will in the entire 22 stores. The plan of the new company is not to operate with only the 22 stores with which they started out. This was an age of progress, he contended, and they did not intend to stop but go forward. New stores would be added as time went on.

Still Young Man

The first president and manager of the Canadian Department Stores, is well known in business in Toronto where he has been a resident for twenty-five years. It was with the firm of Thos. Kinnear and Co., wholesale grocers, that Mr. Rennie received his business training. Eleven years ago he entered the Simpson organization as assistant manager of the market. After three years in that position he became store superintendent, and three years ago was appointed assistant general manager. Mr. Rennie's rise from the ranks has been rapid and dramatic. He is still a comparatively young man.

English Electric Get Contract

The English Electric Co. of Canada have secured the contract for complete electrification of the Noranda Mines. The contract includes transformers, motors generators, etc., with delivery to be made within four months.

Bits About Bonds

On January 2nd, $730,000 of Bay of Quinte Railway first mortgage 5 per cent. bonds mature.

On January 1, $579,000 of the 5 per cent. bonds of the Winnipeg Electric Railway company will mature.

Another Canadian maturity on Jan. 1 is 400,000 of 6 per cent. serial notes of Powell River, Ltd.

Fifteen years ago bonds of small towns in Ontario and Quebec yielded about ½ per cent. less than large city bonds, and large city bonds yielded about ¼ per cent. less than government bonds, say McLeod, Young Weir & Co.

During the war, governments had to borrow vastly more money, relatively than Canadian municipalities. This had the effect of practically obliterating the difference in yield between government bonds and large city bonds. The natural desire for yield on the part of institutions has since reduced very materially the spread in yield between small town bonds and large city bonds.

With the problem of yield solved for the institutions by corporation and foreign government bonds, will there now develop a tendency toward a restoration of the former sound rule that yields within the realm of government and municipal bonds should vary decisively with the security? Such a tendency would be a most logical development.

Clarendon Apartment Bonds Offered to Yield 7 P.C.

One of the most luxurious apartments in Toronto is to be erected under the name of "The Clarendon", and bonds to finance the project are being offered by Worthington, Savage and Company, Toronto. The issue consists of $500,000 of first mortgage bonds.

Features of the new apartment include, in addition to its 200 rooms, ballroom, billiard room, gymnasium, restaurant, squash court, tennis court, garage, etc.

The apartment house is to go up on Avenue road, at the corner of Clarendon Avenue.

$500,000
The Clarendon Apartments
7% First Mortgage Bonds

Dated Dec. 15, 1926. Due Dec. 15, 1946.
Property.—Apartment to be built in Toronto. 200 rooms and many extra features.
Valuation.—Appraised at $860,000.
Earnings.—Net revenue estimated at $73,920.
Security.—First closed mortgage.
Sinking Fund.—To retire $400,000 by maturity.
Capitalization—
First mortgage bonds, $500,000.
Common stock, no par, 5,000 shares.
Offered.—December, 1926, by Worthington, Savage and Company, Toronto, at par to yield 7 per cent.

Crescent Road Issue Sold by W. A. Mackenzie Co.

W. A. Mackenzie & Co., Toronto, have placed practically all of their recent issue of $160,000 of first mortgage bonds of Crescent Road Apartments, Toronto. This issue of bonds was made in connection with the financing of an apartment house of four shops and 98 rooms, now nearing completion on upper Yonge street, Toronto.

Controlling interest in the enterprise is held by W. R. P. Parker, of Toronto, who was the owner of the property upon which the structure is built.

$160,000
Crescent Road Apartments.
7% first closed mortgage sinking fund gold bonds.

Dated Sept. 1, 1926. Due Sept. 1, 1946
Property—Apartment house of four shops, 14 five room suites and fourteen two room suites in Toronto.
Security—First closed mortgage on property.
Valuation—Land $65,000 and building $189,000; total $254,000.
Revenue—Allowing for 10% vacancies, estimated at $19,620 net.
Reserve fund—$10,000 to be built up out of profits.
Sinking Fund—Beginning September 1, 1928, sufficient to retire more than half bonds by maturity.
Capitalization—

First mortgage bonds	$160,000
2nd mortgage income charge bonds	60,000
10,000 shares of common stock	50,000

Offered—by W. A. Mackenzie and Co., 217 Bay Street, Toronto. Price par to yield 7 per cent.

Avalon Telephone Bonds Are Publicly Offered

From Our Own Correspondent.

MONTREAL.—The Royal Securities Corporation is offering $400,000 bonds of the Avalon Telephone Company which owns the telephone system in and around the city of St. John's, Newfoundland. The purpose of the present issue is to provide funds for the construction of toll line extensions, extensions to plant and for the general purposes of the company. Some of these extensions are already under way.

The principal properties of the company comprise a main telephone exchange building on long term leasehold property in St. John's together with a modern telephone exchange having an ultimate capacity of 10,000 telephones and a complete distribution system of underground and overhead lines throughout the city. The company also owns, or controls through leasehold or operating agreements, exchange and telephone equipment at other principal points in the Avalon peninsula.

The system in addition to its main exchange at St. John's and eleven branch telephone exchanges elsewhere, comprises approximately 4,600 telephones installed, together with the necessary pole line equipment.

Avalon Telephone Company: 6 per cent., first mortgage, 20 year, sinking fund bonds. Dated 1926. Due 1946.

The Company: Owns the telephone system of St. John's, Newfoundland, and surrounding territory. Serves a territory with a population of 100,000.

The Franchise: Expires 1949. Property may be purchased in 1934 or later by the government at a fair valuation of property.

Security: Mortgage on all the assets. Further bonds may only be issued to provide for two-thirds of the cost of additions to the property. Property valuation over $800,000.

Sinking Fund: 1½ per cent. per annum.

Earnings: In 1926, before depreciation, estimated at $55,000. Annual interest charges on this issue, $24,000.

Capitalization:

	Authorized	Outstanding
Com. shares	$300,000	$236,350
7 per cent. non-cum. partic.-preferred shares	400,000	400,000
6 per cent. first mort. bonds, ser. "A" (this issue)	400,000	400,000

Offered: December, 1926, by Royal Securities Corporation at 100 to yield 6 per cent.

RUSSELL MOTOR DIVIDEND

At a meeting of the board of directors of the Russell Motor Car Company, a dividend on the common stock was declared of 1¼ per cent. for the five months ending December 31st. There was also declared on the preferred 1¾ per cent. for the three months ending January 31st. Both of these disbursements were made payable on February 1st to shareholders of record, December 31st.

We Offer—
Laurentian Hydro Electric, Limited
6½% First Mortgage Sinking Fund Gold Bonds
Due June 1st, 1934
Price: 101½ and Accrued Interest, to yield 6.25
Full particulars on request
MATTHEWS & COMPANY
LIMITED
Bond Dealers
255 Bay St., Toronto

The Investor—
Published monthly and sent gratis to interested inquirers by
McLEOD, YOUNG, WEIR & Co
Limited
Metropolitan Bldg.
TORONTO
MONTREAL OTTAWA
HAMILTON LONDON

MORTGAGE LOANS
Funds available for Loans on the security of improved Farm Lands
OSLER, HAMMOND & NANTON LIMITED
WINNIPEG
Representing:
Law Union and Rock Insurance Co., Ltd.
North of Scotland Canadian Mortgage Co., Ltd.
Osler & Nanton Trust Company.
The Dominion & General Trust Limited.

Lougheed & Taylor, Limited
Calgary, Canada
Bond, Insurance, Estates,
Farm Lands, Appraisals
We are well informed on the oil situation.

Municipal Bankers
BOND AND SALES CORPORATION, LIMITED
Dealers in
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CORRESPONDENCE INVITED
34 KING ST. EAST, TORONTO
Sir John Willison, Kt., LL.D.
President
Sir William Hearst, K.C.M.G.
Vice-President

W. E. Paton & Company, Ltd.
BONDS
SHERBROOKE, QUE.

K. H. Kompfe & Co.
LIMITED
Investments
330 Bay St.
Toronto
Adelaide 3331
Dom. Savings Bldg., London
Telephone 8077

Roberts-Cameron & COMPANY, LTD.
Government and Municipal Bonds
Listed Stocks
Northern Ontario Bldg.
AD.3486-7-8 TORONTO

MURRAY & COMPANY
Specializing in
Government, Municipal and Corporation Bonds
METROPOLITAN BLDG.
ADELAIDE 6077-78 TORONTO

SYSTEMATIC SAVINGS
And sound investment are the roots of most large fortunes. Your weekly savings, if invested in good bonds to yield 6%, will amount in 20 years to—
$5.00 .... $9,839.12
10.00 .... 19,717.06
25.00 .... 49,300.87
Our systematic monthly savings plan will enable you to invest while you save.
Send for Plan "S."
H. B. ROBINSON & Co. Limited
Investment Bankers
53 King St. West
TORONTO
ELGIN 1224
260 St. James Stree
MONTREAL
MAIN 8542

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST
TORONTO
TORONTO
MONTREAL

We are in the market at all times for
British Columbia Municipal Bonds
British Columbia Bond Corporation, Limited
H. E. Boorman, Managing Director
VANCOUVER, B. C. VICTORIA, B. C. NANAIMO, B. C.

GOVERNMENT
and
MUNICIPAL
BONDS
W. L. McKINNON & Co
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg TORONTO

Calgary, Alberta
Stocks, Bonds, Grain & Oil Leases
Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of Osler & Hammond.

McDonagh Somers & Co.
Government
and
Municipal Bonds
Dominion Bank Building
TORONTO
Canada

HB
FOUNDED 1883
BONDS
for
SAFE INVESTMENT
GOVERNMENT, Municipal Public Utility and Industrial Bonds.
Selected with careful regard to safety, dependable income and marketability.
Write for List.
HANSON BROS.
Investment Securities
160 St. James St.
Montreal
330 Bay St.
Toronto
63 Sparks St., Ottawa

Municipal and Provincial Finance

ANALYSIS ST. JOHN CIVIC BUSINESS COVERS BIG FIELD

Material for Municipal Student in Citizens' Research Institute Report

If science is "knowledge derived from observed facts, systematically arranged," then there is a science of municipal government. To those who would become intimately acquainted with the science, the report of the Citizen's Research Institute of Canada, on the municipal affairs of St. John, N.B., is a text book, par excellence.

The voluminous survey of 208 typewritten pages which has just been handed to the city fathers of that Maritime port, leaves no stone unturned in analysing the civic situation. There are four important surveys in the report, compiled under three chapters. A survey of assessment and taxation; a general survey of departmental and legislative organization; an examination of general engineering methods in use in the city, and an examination of the city's accounting methods as a basis for judgment as to the desirabilities of an audit of accounts. Generally speaking, the report is of considerable value in that it brings into strong relief, the new and the old in municipal government, and serves to illustrate clearly the current trends in civic management.

Defining Real Value

The analysis of assessments, which is the starting point in the survey, finds that the St. John Act, in common with most other Canadian cities does not attempt to define the meaning of real or true value, but leaves that to the best judgment of the assessors. This, says the report, is common sense. From the standpoint of the real property taxpayer, it does not matter whether the valuation for assessment purposes is above or below the real selling value, provided that the same standard of value is applied uniformly to all property within the city.

By way of improving the existing assessment act, a revision of the whole plan of land and building valuation is advised. This revaluation would be based on a series of land value maps, marked tentatively as to value by the assessor, and later revised by a competent advisory board. The value of each piece of property would be calculated on the basis of standard units of value, by the use of scientifically worked out tables already in existence. The next recommendation is that the board of assessors be reduced to one instead of three, and that the assessors be empowered to do their work in the year previous to that in which the assessment is levied, so that all data may be completed before the beginning of the year. Other suggested improvements are that notices of valuation be sent out previous to the tax bills, so as to allow an opportunity for appeal, and that provision be made for appeal before a court of revision.

By way of further distributing the work and responsibility of the tax department throughout the year, the payment of taxes in three equal instalments, is recommended.

It is suggested that the exemption for new buildings and improvements to buildings be discontinued.

Tax Public Utilities

A paragraph which to date has received little publicity, is a recommendation that all public utilities whether operated by the crown or by the city, be valued and taxed on the same basis as similar privately-owned businesses. There is a strong plea made by the Institute, that all municipalities should unite and pursue this line of action with vigor.

The city of St. John has a personal property tax which receives the due consideration of the Institute. The opinion is expressed that such a tax, so far as it relates to merchandising stock, office furniture or fixtures, in fact to everything except vehicles and livestock, is impossible of equitable administration, and a source of general dissatisfaction. As a remedy, the proposal is made to abolish the tax and substitute a business tax. This would be levied on the annual rental value of the real property, at a fixed rate of 12½ per cent., provided such rental is not less than 10 per cent. of the capital value, in any instance. Such a tax is in vogue in Montreal and Winnipeg. Some changes are suggested for the income tax, such as the division of taxpayers into householders and non-householders, and certain exemptions for family heads.

Policy-Forming Organization

The chapter which deals with the organization of the municipality is prefaced by these remarks: "A municipal corporation exists to get things done that are needed or desired by the citizens. To discharge this duty it requires a policy-forming organization and a policy-carrying out organization. In St. John, these organizations overlap, in that the Common Council decides on policies and the individual members of the council carry out these policies as executive heads of administrative departments, under the title of commissioners."

The report recommends that members of the council be no longer appointed as commissioners in administrative capacities, and that they no longed be required to give full time to civic work. The fault of the present system is that it leads either to friction between commissioners or lack of open criticism in council.

As now constituted, there are five administrative departments: The department of finance and public affairs; the public works department; water and sewerage; harbors, ferries and public lands; and the department of public safety.

The recommendations are that there be five new departments under permanent heads, responsible to the council. The departments would be as follows: finance, assessment, public works, fire and police.

Further Suggestions

There are many other suggestions and recommendations which affect the local habits and institutions of the city. A proper pension fund for retired employees; garbage collection; smaller ferries, a town planning act; separation of the county and city for legislative purposes, a test audit; reconstruction of the accounting system along modern lines, and the appointment of a city auditor, independent of the finance commissioner but responsible directly to the council, these are all developed and explained with care and accuracy.

Unlisted Bonds

Abitibi P. & P. 6s 1940	104	105
Algoma Steel 5s 1962	27½	28¾
Anticosti Corp. 6½s 1941	102¼	103½
Belgo Can. Paper 6s 1943	102⅛	103
Brandram Henderson 6s 1939	80	86
Burns, P. Co. 6½s 1943	102¾	103¾
Calgary Brewery 5s 1942	86½	88
Calgary Power 5s 1940	89	90½
Canada Biscuit 6½s 1946	100	100⅝
Canada Lt. & Pr. 5s 1949	89¾	91
Can. Car & Fdry 6s 1939	103¼	105
Can. Nor. Power 6½s 1941	100¼	101½
Brompton P. & P. 6s 1946	98	99½
Can. Steamships 5s 1943	97	97⅝
Can. Steamships 6s 1941	96	97
Can. Salt 6s 1946	101¼	103
Can. Steel Fndry 6s 1936	103¼	105
Cedar Rapids 5s 1953	99½	100½
Davies, Wm. 6s 1942	92¾	93¾
Dominion Iron 5s 1939	27	31
Dom. Power & Tr. 5s 1932	96¼	97¼
Dominion Textile 6s 1949	106½	108
Duke-Price Pr. 6s 1966	105	105⅜
East Kootenay Pr. 7s 1942	104	105½
Elev. Development 5s 1933	99¾	100⅝
Fraser Co. 6s 1950	97	98¼
Gatineau Power 5s 1956	95	95½
Howard Smith P. & P. 7s 1941	102¾	103½
International Paper 6s 1955	99¼	100½
Jamaica Pub. Serv. 6½ 1943	102¼	103¼
Kaministiquia Pr. 5½s 1950	99¾	101
King Edward Hotel 7s 1944	93	95½
Lake Superior P. & P. 6s 1941	105½	107½
Laurentian Pr. 6s 1936	100¾	102
Laurentide Pr. 5½s 1946	101½	102½
Maple Leaf Mfg. 6½s 1943	103¼	104½
Maritime Tel. & Tel. 6s 1941	103½	105
Manitoba Pr. 5½s 1951	97¼	98
Mattagami P. & P. 7s 1949	60	64
Mercury Mills 6½s 1943	101	102
Mont. L. H. & Pr. 5s 1951	99¼	99¾
Mont. Pub. Service 5s 1942	97¼	98¼
Nor. Can. Pr. 6s 1945	100¼	101
Nor. Ont. L. & P. 6s 1946	100½	101¼
Nor. West. Utilities 7s 1938	99	100½
Nova Scotia Steel 6% Debs.	28	31
Nova Scotia Tram. 5s 1946	89	90½
Nova Scotia Tram. 7s 1952	97	99
Ont. Pulp & Paper 6s 1931	108	109
Ottawa Gas 6s 1939	102¾	103½
Ottawa Hull Pr. 6s 1948	103	104½
Ottawa L. H. & Pr. 6s 1953	104	105½
Ottawa Mont. Pr. 6½s 1949	102¼	103
Ottawa Riv. Pr. 6½s 1953	102¼	103
Ottawa Trac. 5½s 1955	100	101½
Port Alfred P. & P. 6½s 1943	102¼	103½
Price Bros. 6s 1943	103	104
Prov. Lt. & Pr. 5s 1946	100⅛	101½
Page Hersey 6s 1946	101¼	102½
Quebec Pr. 6s 1953	106¼	107½
St. Lawrence Paper 6s 1946	97¼	98¼
St. Maurice Pr. 6½s 1953	108	109
St. Maurice Valley 6s 1945	99	100
Shawinigan W. & P. 6s 1950	104	106
Simpson, Robt. 5s 1952	94¼	96
Simpsons, Ltd., 6½s 1945	102	103
Southern Can. Pr. 5s 1955	97¼	98¼
Spanish River P. & P. 6s 1931	108	109½
Spanish River P. & P. 8s 1941	106¼	108
Walmsley, Chas. 6s 1943	91	95
West Kootenay Pr. 6s 1943	103¼	104½
West Pr. of Can. 5s 1949	96¼	97½
Winnipeg Elec. 6s 1953	99	99⅝
Winnipeg Elec. 5s 1935	97	98½

CITY OF EDMONTON FINANCES IMPROVE

Public Utilities Have Accumulated Surplus of Nearly Two Million Dollars

That the finances of the City of Edmonton show an appreciable improvement in the civic situation is the encouraging conclusion that may be drawn from the recent report of City Commissioner David Mitchell, which covers the ten months period ending October 31, 1926. The statistics covering the fiscal year show a definite trend of progress toward the rehabilitation of the city's financial structure. Particularly is this true in regard to the readjustment of the sinking fund, which has been done with the object of retrieving the city from its state of indebtedness. Since Dec. 31, 1924, this fund has increased by nearly $2,000,000. The result is that notwithstanding further borrowings for necessary purposes during the year, there was a reduction in the total net debt for last year of $454,242, while for the present year it will be nearly $550,000, or a total of a million dollars for two years. This step forward is to be commended in view of the fact that the funded debt of the city is one of the largest in Canada.

Last year the council were able to effect a reduction in the tax rate of more than 1½ mills, which brought the yearly rate down to 44.35. The net total assessment in 1926 stood at $58,840,235. The city assessor reports that the landslide in civic assessment due to tax forfeiture of lands, will have been definitely arrested by the end of the present year. During the present year the collection of taxes has been the highest on record, the current tax collections showing 88 per cent.

The successful operation of the civic utilities shows that they are in good hands. The combined gross earnings for the past ten months is $2,779,754, as against $2,716,489 for the same period last year. The accumulated or aggregated net surplus on the operation of all these utilities since their inception is nearly $2,000,000, notwithstanding the fact that the accumulated net deficit on the street railway is nearly a million and a half. The population is now 66,415, as compared with 58,821 in 1921, an increase of 10.6 per cent.

B.C. SHOWS SURPLUS; PUBLIC DEBT LOWER

From Our Own Correspondent.

VANCOUVER.—British Columbia is able to show a substantial surplus of government revenue over expenditure, reduction in debt and increasing revenues, according to public accounts presented at the opening of the legislature by Hon. J. D. MacLean, minister of finance.

Provincial assets exceed the liabilities by $64,000,000, or an increase of $35,921,000 over the figures of 1924-25.

The public debt at March 31, 1925, was $79,396,000 while at the 31st March, 1926, the public debt, including temporary borrowings amounted to only $76,786,000. The provincial debt, therefore, has been reduced by $2,610,000 during the year.

The reduction above referred to was brought about by the retirement of a ten year loan of over $3,000,000 which had fallen due and which had full sinking fund provisions. By the judicious investment of these sinking fund appropriations, the department made a profit of $107,000, and this amount was paid into the consolidated revenue fund for the benefit of current expenditures. Borrowings for new capital expenditures during the year amounting to $434,000 made the next reduction, as above stated, of $2,610,000.

The sinking funds of the province amounted to $12,699,774, appropriations and dividends on investments for the year amounting to $2,386,259.

The current receipts of the province reached $20,608,671. Receipts for capital returns were $1,167,197, making the total revenue $21,775,869.

The current expenditures amounted to $18,230,624.68, current receipts were therefore $2,378,046 in excess of current expenditures. There was, however, $3,444,451 capital expenditures made out of income; therefore, the total expenditures, both current and capital, amounted to $21,675,075 against total receipts of both capital returns and current revenue amounting to $21,775,869, leaving a surplus revenue receipt over all expenditures, both capital and current of $100,793.

The President Beatty Prize is being offered by the President of the Canadian Pacific Railway to the man obtaining the highest number of marks during the coming training season at the training farm of the British Ministry of Labor at Brandon, Norfolk. The award consists of a cash prize and employment at current wages upon the C.P.R. Supply Farm at Strathmore, Alberta. A similar prize will be made available in the Spring of 1928.

UNLISTED SECURITIES

	Bid	Asked
Alberta Pac. Grain, com.	18	20
Do., pref.	84½	87
Brooks Motor 1 pref. & 1 com.	6	7
Do., 1 pref. & 2 com.	8	9½
Can. Machinery, com.	4	7
Can. Westinghouse, com.	175	...
Farmers Dairy, com.	62	..
Dunlop Tire, pref.	84	90
Chase, A. W., com.	5	12
Do., pref.	..	80
Fanny Farmer, com.	25½	27
Federal Alcohol & Dist.	7	8½
Goodyear Tire, 6% pref.	93	96
Gunns, Ltd., pref.	27	30
King Edward Hotel, Deb. A.	70	75
King Edward Hotel, Deb. B.	61	63
Loew's Buffalo, pref.	54	60
Mount Royal Hotel, com.	6	8
Nat. Grocers, 1st pfd.	97	100
Nat. Grocers, com.	2	5
Continental Life 20% paid	41	46
Crown Life	128	..
Empire Life	25	30
Excelsior Life 29% Paid	62	..
Great West Life	400	450
Monarch Life 10% Paid	31½	35
Mortgage Discount, pref.	6¼	7
Ontario Equitable	21	25
Re-Insurance	21	25
Security Life 40% Paid	28	31
Sun Life, 75% paid	560	..
Toronto Finance, pref.	2½	3½
Willard's pref.	67	71
Canada Life	600	..
Capital Life 25% paid	20	24
Mount Royal, pref.	59	62

This Week's Bond Sales

County of Brant

Royal Securities Corporation were the successful tenderers for an issue of $40,000, 5 per cent. debentures of Brant County, Ontario, maturing 1927-41, at 100.07. Maeneill, Graham and Co. bid 99.87, and Wood, Gundy and Co. 99.81.

Farnham Bonds Sold

Versailles, Vidricaire & Boulais have been awarded an issue of $25,000 Farnham, Que., 5 per cent., 30-year bonds at 99.37, which is equal to a cost basis of 5.06 per cent. The bids were:

Versailles, Vidricaire and Boulais	99.37
Rene T. Leclerc Inc.	98.77
Credit Anglo Francais	98.42
C. H. Burgess & Co.	98.13
L. G. Beaubien Co.	97.80
Ernest Savard	97.54
Dyment Anderson & Co	97.33
Credit Municipal	96.93

Port Alfred Issue

An issue of $125,000 Port Alfred, Que., 5½ per cent., 20-year serial bonds has been sold to Corporation de Prets, at 98.55.

Fredericton Issue

The City of Fredericton, N.B., has sold $20,000, 5 per cent. serial bonds at 100.52 to the Eastern Securities Company. The issue was sold on a 4.95 yield basis.

Eight tenders were received by the finance committee of the city. Each bid included accrued interest. The bids follow:

Eastern Securities Company	100.52
J. M. Robinson and Sons	99.63
Winslow and Winslow	99.52
Meade and Company	99.38
Wood, Gundy and Company	99.30
Thomas Armstrong and Bell	99.26
Bell, Gouinlock and Company	99.10

Immigration to Canada in the first ten months of 1926 ran 63 per cent. ahead of the similar period of last year. The total of new settlers was 122,848, as compared with 75,581. In the ten months in question British immigration rose from 32,297 to 45,073; United States from 15,432 to 18,575, and that from other countries from 27,852 to 59,200. In the ten months of 1926 a total of 55,718 Canadians returned from the United States, having made permanent homes there, as against 27,733 in the same ten months of 1925. Immigration to Canada in October, 1926, amounted to 10,013, as compared with 7,703 in October, 1925—a 30 per cent. gain.

Tenders and By-laws

Dec. 29, Catholic School Commission, Sherbrooke, P.Q.—$125,000, 5 per cent. serial debentures. L. O. Lacombe, Sec.-Treas.

Dec. 28, School Municipality of La Barre, P.Q.—$18,000, 5½ per cent. serial bonds. J. A. Couture, Sec.-Treas.

Dec. 29, Bridgeburg, Ont.—$121,188, 5½ per cent. 15-yr. local improvement debentures. A. S. Jackson, Town Clerk. (See announcement on page 16.)

Jan. 10, City of Saint Lambert, P.Q.—$419,000, 5 per cent. serial or term bonds. J. R. Beatty, Sec.-Treas.

Jan. 4, Town of East Angus, P.Q.—$125,000, 5½ per cent. serial debentures. J. A. Girard, Sec.-Treas.

WEEKLY RECORD OF CANADIAN FINANCING

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Fredericton	Dec.	Eastern Securities Co.	5%	Serial	$20,000	100.52	4.95
Brant County	Dec.	Royal Securities Corp.	5%	1927-41	40,000	100.07	....
Port Alfred, Que.	Dec.	Corporation de Prets	5½%	20-yr. ser.	125,000	98.55	5.67
Stettler, Alta.	Dec.	W. Ross Alger Corp.	6%	10-ins.	6,000	100.42	5.92
Jonquiere, Que.	Dec.	Credit Municipal	5%	10 & 20 ser.	190,000	97.29	5.58
Farnham, Que.	Dec.	Versailles, Vidricaire & Borelais	5%	30-yr. ser.	25,000	99.37	5.06
St. Eustache sur de Lac, Que.	Dec.	Versailles, Vidricaire & Borelais	5%	30-yr. ser.	15,000	97.53	5.72

OFFERINGS OF CORPORATION AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Bond Issues—							
Women's Gen. Hosp. Montreal	Dec.	Credit Anglo-Francais	5½%	serial	210,000	......	....
Clarendon Apartments	Dec.	Worthington, Savage & Co., and J. A. Clarke & Co.	7%	20-yr.	500,000	100	7%
Central Public Service	Dec.	Thompson Ross & Co., Chicago, and H. B. Robinson & Co.	6%	1940	750,000	97	6.30
Stock Issues—							
Ind. Loan & Inv., Montreal	Dec.	.....	7%	Pref.	500,000	100	....

We recommend

PUBLIC UTILITY BONDS

Send for our Selected List

Browne, Urquhart & Co.
Limited.
180 St. James St. Montreal
Tel. Main 8011*.

F. M. Black & Co
Financial Agents
805 Electric Railway Chambers
WINNIPEG, MAN.

HAMILTON, WARNER & Co.
Bonds
Government
Municipal
Corporation
Transportation Bldg.
MONTREAL

FOREIGN SECURITIES
We are active in all foreign issues.
Ask for quotations.
Have your name placed on our mailing lists.
EUROPEAN DEBENTURE CORPORATION, LTD.
120 St. James Street, Montreal

7%
UNITED
FIRST MORTGAGE BONDS

"A Merry Christmas
to Everybody!
A Happy New Year
to All the World!
And God Bless Us,
Every One!"

From "A Christmas Carol"

United Bond Company
Limited
HOWARD C. WADE,
President.
WM. BROWN,
Vice-President and Manager.

WILLIAMS, PARTRIDGE & RAPLEY LIMITED
Investment Bankers
71 St. James St. MONTREAL

H. C. MONK & COMPANY
Government, Municipal and Corporation Bonds
Canada Life Bldg. Ottawa

BONDS
Government
Municipal
Industrial
Utilities
List on request
ESTABLISHED 1910
CREDIT-CANADA
LIMITEE
Investment Bankers
120 St. James St., Montreal
Main 4191★

Why Power Securities Enjoy High Favor

Canadian power companies are prosperous and are looking to futures of even greater prosperity.

That is because they constitute an essential industry which will automatically expand to keep pace with population growth and higher standards of living.

We recommend the securities of two power companies that are firmly established, have a ready market for all the power they can supply, and enjoy a financial position that ensures the return on capital invested.

Avon River Power Co.
Limited
First Mortgage 5½%
Gold Bonds
$98.50 and interest
To Yield 5.60%

Quinte and Trent Valley Power Co.
Preferred Stock
$99 and accrued dividends
to Yield 7%

Descriptive circulars furnished on request.

Members:
Montreal Stock Exchange.
Toronto Stock Exchange.
JOHNSTON AND WARD
14 King St. East Toronto

BONDS
FOR INVESTMENT
HOUSSER, WOOD & CO.
LIMITED
Investment Bankers
ROYAL BANK BLDG. TORONTO

F. H. Blakely C. E. Bowden
F. H. BLAKELY & CO.
COMPANY REORGANIZATIONS
Efficiency and sound economics applied
Northern Ontario Bldg. Toronto
Tel. Ad. 0669

Basic Industries

Natural resources in conjunction with labor and capital are a perfect economic combination and contribute to the full development of a country.

Our trading department buys and sells at the most favorable market prices, securities which further the development of our natural resources and at the same time provide an attractive yield to investors.

Send for our circulars

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)
E188

VERSAILLES-VIDRICAIRE-BOULAIS - LIMITED
Investment Bankers
MONTREAL QUEBEC
Quebec Municipals and Industrials a Specialty

OSLER & HAMMOND
F. G. OSLER G. T. CHISHOLM
H. F. MARRIOTT H. FRANKS
Stock Brokers and Financial Agents
Members { Toronto Stock Exchange
Montreal Stock Exchange
21 JORDAN STREET, TORONTO

Mara & McCarthy
Members Toronto Stock Exchange
Stock Brokers
297 Bay Street - TORONTO
TELEPHONES ELGIN 3294-5-6-7

Forty-Three Years of Experience Crystallized in This Booklet ---Send for a Copy

Since 1883 the investment banking house of G. A. Stimson & Co. has followed a course of strict adherence to sound investment principles. During this span of years, which carried this organization through several major and minor business and financial depressions, in which at some time or other practically every class of investment was affected, no security sold or recommended by this house failed to pay principal and interest—a record we are proud of, and one we guard zealously.

Now, as a result of almost a half century of investment experience, we are offering to the investors of Canada what we consider to be the safest and most convenient investment it has been our pleasure to offer.

This investment has all the advantages and none of the disadvantages of other high-grade investments—it is an investment trust, backed by trustee investments, and returns a full 5½% for a twenty-year period.

If you would know more about this opportunity, send today for a copy of our booklet which explains the security back of this issue. You will be under no obligation to purchase.

The Investment Trust

G. A. STIMSON & Co.
LIMITED EST. 1883
The Oldest Bond House in Canada
300 BAY ST. TORONTO

Gentlemen:
Kindly send me a copy of your booklet, "The Investment Trust." I understand this places me under no obligation whatever.

Name ....

Address ....

Insurance for Buyer and Seller

Reciprocal Insurer Should Know Policy

After an unsuccessful experience in reciprocal insurance, the Lumberman's Indemnity Exchange which operated in Canada for three years, has discontinued the writing of new business, and has given notice of cancellation of all its outstanding Canadian policies. A transaction of this character, brings to light several factors which must be very closely watched by those who hold, or contemplate the holding of reciprocal insurance.

Reciprocal insurance is simply insurance conducted through an exchange which is based upon an agreement on the part of every member to pay a share of the losses sustained by any other member from certain specified causes. The amount that each member or subscriber pays, will depend upon the risk to which he subjects the other members of the exchange. To put it another way, the reciprocal exchange is neither a company nor a corporation but is simply a system of agreements between the subscribers on the one hand and the "manager" of the exchange, on the other. This "manager" is usually called the attorney-in-fact and derives his name on account of the fact that the form which the agreement takes is a straight power of attorney. This power of attorney is made out by the subscriber on a prescribed form, and the entire method and fact of reciprocal insurance is set forth in this document which enables the attorney-in-fact to act on the subscriber's behalf. Thus there are but three parts to reciprocal insurance: the attorney-in-fact who is the head office and manager; the subscriber who is the policy-holder; and the power of attorney which is the "policy" on the agreement between the subscriber and the attorney-in-fact.

American Firms in Canada

Although there have never been any reciprocal exchanges organized under Canadian charter, there have been a great many American reciprocals which have taken out a Dominion license and have operated in various parts of the country. Four years ago, when Ontario introduced legislation governing the activities of reciprocal exchanges in the province, there was considerable publicity given to the whole question and the arguments for and against this type of insurance were debated at length. According to those who have studied the system one reason for the existence of reciprocals is usually a belief that by eliminating the overhead costs which are common to stock companies the insured can obtain cheaper coverage on their property. Reciprocal insurance is usually confined to fire and automobile risks and invariably the risks are uniform in character. Industries of one class, such as packing plants, sprinklered mercantile establishments and lumber companies, are often found grouped under a reciprocal exchange. The element of security is found in that the firms are usually first-class risks. In theory at least the cost of such insurance should be low because the exchange is dealing in one class of specialized risks, whose probable loss can be fairly well gauged, and furthermore, management costs are based on a stipulated expense ratio which should be from 10 to 15 per cent. lower than the cost of operating a stock company.

Faith is Requisite

The two prerequisites of a successful reciprocal exchange are first, an implicit faith between the subscriber and the attorney-in-fact, and secondly, a thorough and complete knowledge of the power of attorney, on the part of the subscriber. It was in these two respects, it is said, that the Lumberman's Indemnity Exchange was lacking in Canada. In the first place very few subscribers knew the actual extent of their obligations under the power of attorney, and secondly, when they found out their real obligations, they manifested a lack of faith in the management by cancelling their agreements. This wholesale cancellation, taken in conjunction with several other factors which showed very poor management on the part of the attorney-in-fact, caused the company to collapse.

In the United States where most of the reciprocals have their origin, the experience has been that the mortality in this class of insurance organization depends upon the control exercised by the state. Where there has been little or no supervision of such organizations, as in Texas some years ago, the mortality is exceedingly high, but where adequate precautions have been taken by the legislative authorities, the mortality rate has been no higher than among stock companies. Faith, knowledge, and proper legislative control are in the first analysis the "sine qua non" of reciprocal insurance.

Celebrate 50 Years' Service With Canada Life Company

Not many of us are able to boast of fifty years continuous service with one company, and by the same token not many firms are able to congratulate an employee on having achieved a jubilee of service. This year Canada Life Assurance Co. is extending its congratulations to two members of its staff who joined the company in the fall of 1876. Herbert E. Gates started as a clerk in the Hamilton office at the salary of ten dollars a month. His father had then been a director of the company for 18 years, and until his death, in 1909, he was vice-president. After working up through various posts, Herbert Gates was given control of the Western Ontario district in 1899, a post which he held actively until a few years ago. He is still consulting branch manager at London.

Walter B. Ferrie also started at Hamilton in 1876. In 1881 he moved to Toronto, but the next year pitched his tent in Halifax, where he remained, with the exception of four years, until 1900. His next move was British Columbia, and for fifteen years he was branch manager for that province. In 1915 he took over the management of the investment department in Vancouver, and still retains a keen interest in everything pertaining to the company.

McConnell and Neill Join Sun Life Board

The Sun Life Assurance Company of Canada announces the appointment to its board of directors of C. E. Neill and J. W. McConnell. The size of the board was increased some time ago from twelve to fifteen members, and at that time Hon. J. C. Tory, Lieutenant-Governor of Nova Scotia, and a former high official of the company, was appointed. The two remaining vacancies are now filled as above.

Mr. Neill is well known as the general manager of the Royal Bank of Canada and a director in a number of leading financial and industrial companies. Mr. McConnell is a director of numerous financial and industrial companies, being president of St. Lawrence Sugar, director of the Bank of Montreal, Laurentide Paper and others.

Columbia Life Assurance Company

Application will be made to parliament for an act to incorporate a company under the name of "Columbia Life Assurance Company," or, in the alternative "Olympic Life Assurance Company," or "West Coast Life Assurance Company." Vancouver will be headquarters.

Insurance Personals

The announcement is made by the Canadian head office of the Metropolitan Life Insurance Company, of the following changes in the field: William Hull, assistant manager at Ishpeming, Michigan (Sault Ste. Marie, Ont.), is appointed assistant manager at Barrie, Ontario.

Ernest Savoie, formerly assistant manager at Lachine, Montreal, is appointed agent unattached at Outremont, Montreal, P. Q.

J. A. Charles Beaudry, assistant cashier at Maisonneuve, Montreal, is promoted to cashier at Joliette, Quebec.

Lucien Pepin, formerly agent at Maisonneuve, Montreal, is appointed assistant cashier at Maisonneuve.

Daniel H. Gass, inspector at Canadian head office, is appointed acting manager, Canadian territory.

Murray J. Fischer, manager at Saint John, N. B., is appointed general assistant manager, Metropolitan territory, New York.

Lawrence S. Marsh, assistant manager at Mount Royal, Montreal, is appointed manager at Oshawa, Ontario.

Nathan Veinish, formerly assistant manager at Outremont, Montreal, is appointed agent unattached at Outremont.

James R. Livesey, agent at Mount Royal, Montreal, is appointed assistant manager at Mount Royal.

Simon Dwire, general assistant manager in the Canadian territory, is promoted manager.

At a meeting of the board of directors of the Manufacturers Life Insurance Company, R. E. Dowsett was appointed to the position of assistant secretary. Mr. Dowsett is a graduate in mathematics of Queen's University, Kingston, and entered the service of the company in November, 1915. He was engaged in overseas service from 1917 to 1919, and was wounded at Passchendale. Mr. Dowsett is an Associate of the Institute of Actuaries of Great Britain, and a Fellow of the Actuarial Society of America.

Fernand Balcer has been appointed inspector for the Great West Life, at Three Rivers, Quebec. Mr. Balcer is well known throughout the community of Three Rivers, having been born and brought up in that district. He is the son of H. A. Balcer, of the Balcer Glove Manufacturing Company Limited, in which concern, before coming to The Great West Life as an agent in September this year, he occupied an executive position as secretary-treasurer.

London Life agent A. J. Snowdon, formerly of Montreal 1 district, is promoted to superintendent in Montreal 2.

CONFEDERATION LIFE, IMPERIAL ENTER N.Y.

Two Other Companies Follow Canada Life Into That State Plans Not Announced

Following closely upon the action of the Canada Life, two more Dominion companies, the Confederation Life Association and the Imperial Life Assurance Company, both of Toronto, have applied for and been granted permission to do business in New York. Certificates permitting them to write only participating insurance in this State have been issued to both companies by James A. Beha, superintendent of insurance.

The Confederation Life was incorporated by an act of the Canadian Parliament in 1871 and empowered to write both participating and non-participating lines. Authorized capital at the start was $500,000 and later was increased to $1,000,000, of which $100,000 has been paid in. Growth of the company was fairly rapid until at the end of 1925 it held admitted assets of $45,180,688 against insurance outstanding amounting to $206,717,691. Its business is very widespread, as the company operates in a dozen countries other than the Dominion.

The Imperial Life is a considerably younger company, having been incorporated in 1896 by the Canadian Parliament with an authorized capital of $1,000,000, of which all has been subscribed and $600,000 paid in. It writes both participating and non-participating business and by the end of 1925 had in force $195,068,289 of insurance, against which were held admitted assets totaling $35,047,398. It also operates in a number of foreign countries.

While no announcement has been made as to plans of the two companies, it is known that their entry into the States is occasioned at least in part by the recent re-entry of the Canadian Life, with which they have had fairly close business relations. It is not regarded as likely that either company will make any effort in the near future to open an aggressive campaiagn for new business on a very large scale.

Rockwell Life Insurance Congress Arouses Interest

The Rockwell Educational Congress, which opens in Toronto on Monday, Jan. 3, is arousing considerable interest among the insurance fraternity. A heavy registration has already been recorded in Toronto, where an attendance of between two and three hundred is expected. The lectures are available to anyone who is interested in life insurance, and are substantially the same as will be given in nine other Canadian cities. Dr. Rockwell's lectures are as follows:

Making Life Insurance Attractive.
Telling the Insurance Story.
Principles of Closing.
Insurance for the Family and Estate.
Insurance for Personal Needs.
Insurance for the Business.
Insurance for the Sunset of Life.
Insuring the Income.
Arranging an Insurance Programme.

In addition to this, Toronto insurance men will give addresses throughout the three-day session. Gordon Coyne, Canada Life, "Life Insurance as a Service Institution"; Eric V. Chown, "Our Association"; Miss F. V. Stewart, "Insurance for Women"; E. L. Pooler, Imperial Life, "Insuring Business Men,"; W. C. Laird, London Life, "Sales Advantages of Income Plan."

Angus German New Head of Toronto Life Underwriters

G. Angus German, of the Crown Life, is the incoming president of the Life Underwriters' Association of Toronto. Norman McKibbin, the retiring president, announced that the membership of the association was now 309, the largest local life underwriters' association in Canada. The officers for the coming year are as follows: Honorary president, Norman McKibbin, Travelers Insurance Co.; president, G. Angus German, Crown Life Insurance Co.; first vice-president, John B. Hall, Sun Life; second vice-president, A. D. Anderson, Aetna Life.

Dominion Life Had 66% Increase in November

Sixty-six per cent. increase over November of last year is the record found in the Dominion Life Assurance Company's business report for the past month. The actual volume reported for November of this year by this company was $2,611,000. This tremendous increase for November makes the Dominion Life's increase for the year to date 25 per cent. over the same eleven months of last year.

The increase for November was in large measure due to a special campaign held during the month in honor of Ford S. Kumpf, the company's vice-president and managing director, on the occasion of his birthday and the completion of twenty-five years of his service with the company.

In this month the Toronto offices led Canada in volume of business.

Would Tighten Licensing of Life Insurance Agents

The indiscriminate licensing of agents, with its evil reflection in the switching and rebating of policies, was one of the subjects which came in for a large amount of discussion at the annual meeting of Life Underwriters of Montreal, held last week in that city. Louis L'Esperance, retiring president for 1926, expressed the opinion that while it was not possible to get corrective legislation this year, the remedy lay in aiming to get the majority of men in the business behind a move of this sort. That is to be the goal of the association next year. Another controversial point which was discussed by Mr. L'Esperance was the question as to whether or not brokers should be admitted into the membership of the association. The decision of the executive was to the effect that as these men were not full-time men, they should not be allowed to enjoy the same privileges as fully chartered underwriters.

J. E. Yarnell, of the Sun Life Assurance Company of Canada, was elected president for the ensuing year. J. M. Carson, of the Mutual Life Assurance Company of Canada, was elected first vice-president; and Horace J. Labrecque, of the Canada Life Assurance Company, was elected second vice-president.

As Others See Us

Investing at Home

Sydney Record.—After studying the question for some time an Upper Canadian financial journal, The Toronto Financial Post, estitmates that Canadian investments in foreign countries now total some $700,000,000. Some of the investments are "good," and, no doubt, some of them are "bad." But it may be questioned whether the "good" investments have yielded as much profit to the investors as would have followed, directly and indirectly, from putting the same amount of money into enterprises in Canada. There is no better investment field anywhere for Canadians than right here in the Dominion where development possibilities are so great.

Other People's Views

Our Own Prosperity

Maritime Merchant.—Perhaps we are not to blame for knowing so little about adversities in the states, seeing how prosperous the American people are. And, of course, some Americans are very prosperous. But others are very poor. In fact, we think it is true that relatively we are very much better off in this country; for we have very few people who are in extreme poverty. Perhaps we have not as high a proportion of millionairies as some other parts of the world, but it is a satisfaction to know that if the peaks are not as high it is because the valleys are not so deep. If we have few millionaires, we also have few who have not three square meals a day and a comfortable place wherein to sleep. We ought to think more about our general level of comfort in the Maritime Provinces than we do.

Great West Business Larger

Great West Life wrote $76,974,282 of new business to November 30 as against $75,181,835 in 1925. Re-instatements are also heavy.

The Chief Motive in Business: PROFIT!

Men invest their capital in business for one purpose: to make money. Yet they often overlook the fact that a single, unexpected bad debt loss would wipe out all their profits, not only for the current year, but maybe for twelve months to come.

In fact, credit losses often attack deeper than the profits; sometimes they even eat up the capital.

When an inexpensive service like
Credit Insurance
completely safeguards one's resources against all such losses, you would think that *every* Manufacturer and Jobber in Canada and the United States would carry a policy with the American Company. Thousands of them do. This message is an invitation and suggestion to those who do not to write or phone for the full details of our story.

CANADIAN DIVISION
The AMERICAN CREDIT-INDEMNITY COMPANY
of New York — J. F. McFadden, President
R. J. MULLEN, General Manager for Canada,
Toronto Office, 1702 Metropolitan Bldg. Phone: Main 4316
Montreal Office, Canada Cement Bldg. Phone: Lancaster 3258
KR779

ST. LAWRENCE
UNDERWRITERS' AGENCY
FIRE and AUTOMOBILE INSURANCE
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary
W. H. HUNTER, President
ALEX. STEWART, Treasurer

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
Head Office for Canada: HAMILTON, ONTARIO
Writing Fire Insurance at Cost
Assets $3,118,764.07
ALL POLICIES DIVIDEND PAYING AND NON-ASSESSABLE.
BRANCH OFFICES
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON
CALGARY
EDMONTON
VANCOUVER

Insurance
OF ALL KINDS TRANSACTED
The Provident
ESTABLISHED 1905
Head Office:
THE PROVIDENT BUILDING
Corner Place d'Armes & St. James St.
MONTREAL
Tel. HArbour 3292-3-4-5-6-7

The NORTHERN
LIFE ASSURANCE COMPANY OF CANADA
Good insurance salesmen can always find a place with our growing organization. Write for full particulars.
Head Office: London, Ontario.

Season's Greetings 1926-7
The Monarch Life Assurance Co.
Head Office - Winnipeg

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
211 McGILL STREET
MONTREAL
Refineries - St. John, N.B.

Leaving Your Estate Intact

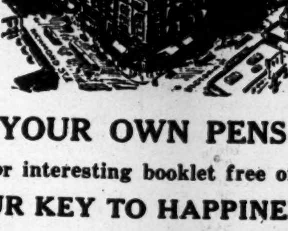
At death, certain debts are automatically contracted.

Apart from the usual expenses, there are often succession duties to pay.

These are immediately due. They are payable in cash. They are a first charge on the estate. Their payment often exhausts all the ready available capital.

Wise men provide for this contingency through the only medium by which succession duties can be discounted—namely, a life insurance policy. They meet the debt during their lifetime. They bequeath their estate intact.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal



CONFEDERATION LIFE ASSOCIATION
BUY YOUR OWN PENSION.
Send for interesting booklet free of cost.
'YOUR KEY TO HAPPINESS'
HEAD OFFICE TORONTO

Current Events in Banking World

ANOTHER BANKER SUGGESTS CLOSING OUT N.S.F. WORKER

Accounts Unprofitable, So Why Carry Them, He Argues

This contribution to the discussion of N.S.F. cheques comes from a western bank man. This correspondence has been exceedingly interesting to bank men, but there are other subjects awaiting discussion and managers sending contributions to this, their page, are urged to take up some of the numerous other problems they face.

It seems to me that "kiting," and N. S. F. cheques are closely related, and that if a careful watch is kept on an account on which cheques are frequently returned "N.S.F." it will be found that "kites" are often flying around.

It is annoying to say the least for anyone to have a cheque come back on them "N.S.F.", but the apparent apathy displayed so far as taking legal steps to mend the situation is concerned may be accounted for because of the fact that the majority of the cheques returned are usually for relatively small amounts. While there are cheques for large amounts returned, the losses on cheques over $100 are more often recovered by the holders, as they frequently have other security before negotiating the cheque.

Issue Them Without Intention

No doubt many people who issue "N.S.F." cheques do so unintentionally. They know that they haven't got the money in the bank, but rely on the bank letting them overdraw their account, or expect they will be able to make a deposit before the cheque is presented.

The banks lose in several ways because of N.S.F. cheques. They are not only out the interest on the money while the cheque is in transit, but also the clerical work required is an expensive item. Besides this it does not reflect very favorably on the bank to have to return a cheque N.S.F. It is not the best kind of advertising to use. If cheques are frequently returned from a particular branch it does not take long for that branch to acquire an unenviable reputation. The customers of other banks will think it is not a very good bank to do business with. This reasoning may sound foolish; however, have you never heard this remark: "What is the matter with that bank that there are so many N.S.F. cheques on it?" or this one: "We get more N.S.F. cheques on the Blank Bank than on all the others." I have heard similar remarks quite often. What is the answer? It seems logical to say that those customers will think twice before opening an account with that bank.

Should Close Out Accounts

Some bankers will not carry the smaller accounts on which cheques are frequently sent back. While it does not seem quite fair to deprive anyone of the privileges of having a bank account still this would probably be the quickest and surest remedy for the situation. In the cities, though, where competition is keener than in the country, bankers do not like to refuse any business offered, even if they do know it is not quite up to standard; for this reason it would be hard to eradicate all such accounts in this way.

Might Try Letter First

As it is not practicable to get rid of all accounts that have cheques returned on them, I would suggest the following plan which with some modifications has been used satisfactorily. After two or three cheques have been sent back on an account a letter should be written to the drawer stating that his cheques have been sent back N.S.F., and asking that in future he provide funds to meet his cheques before issuing them. This will often but not always have the desired effect. If after that, cheques have to be returned, one of two things may be done. Either write a second letter stating that as we have frequently had to return cheques on his account we are obliged to ask him to close it out, or write him stating that as the balance carried in his account is not sufficient for us to carry it without a loss we will need to charge him so much per month as an operating charge.

I think it will be found that when a charge is made on an account of this kind such account will soon be closed out, or a sufficient balance will be kept to take care of all cheques issued. More often the account will be closed. In such cases, however, it is felt that the customer's ill-feeling towards the bank will not be as great as it would be when he is bluntly told to close his account.

Not Profitable Business Lost

When accounts of this nature are closed the bank has not lost any profitable business. However, it is often very difficult to get them closed. Probably at one time they were profitable accounts but through unforeseen circumstances they are now unprofitable, and as the connection is an old one the management does not like to break it. In such cases, though, there should not be too much sentiment. In these accounts it is quite likely there is some "kiting" going on, so therefore the bank is taking more or less risk of having cheques come back on them, and the best way to avoid this risk is to close out the account.

There will probably always be N.S.F. cheques, but it is felt that if the banks were more particular in accepting accounts there would be less trouble of this nature. It is said that in England the banks return very few N. S. F. cheques. While banking conditions and regulations are entirely different here this feature of their system is an enviable one, and a goal for which all bankers in this country should aim.

Notify Clearing House

It is quite likely that opinions will differ on the subject, but I would suggest that when accounts are closed out because they were not operating satisfactorily in this respect, in the cities the particulars of such accounts be sent to the clearing house so that all the banks could be notified about them. Bankers would then know the class of business that was being offered to them when one of these applicants came to their office to open an account, and the privileges of having a bank account should be refused them. While this may seem a harsh method of dealing with the subject, and would not be applicable in all cases, it is felt that a plan along these lines could be worked out that would be mutually agreeable, and would have the support of all business people.

Probably the indifference of the banks in this connection is due to the fact that no person likes to lose any business to another, and they feel that accounts would be lost and more or less ill-will created if too stern measures were used in dealing with such accounts. They overlook the fact that every cheque returned by them reflects unfavorably on their bank, and is also an expense which is seldom recovered.

Any plan that will tend to decrease the number of N.S.F. cheques will have the support of all those except the people who issue the cheques, and the opinion of such people should not be considered when dealing with the question.

BANQUE NATIONALE PROFITS INCREASED

Savings Bank Deposits Show a Gain of Over 10 Per Cent.

From Our Own Correspondent.

MONTREAL.—The annual report of La Banque Canadienne Nationale for the fiscal year ending November 30 shows some increase in net profits and some increase in the amount transferred to profit and loss account after payment of all charges and dividends.

The income account at the close of the last two fiscal years compares as follows:

	1926	1925
Net profits	$860,660	$822,026
To province	125,000	125,000
Taxes	100,000	100,000
Pension fund	30,000	30,000
Dividends	550,000	550,000
Balance	55,660	17,026
Bal. forward	265,018	247,992
P. & L. Bal.	320,678	265,018

Deposits Show Increase

Changes in the balance sheet show a gain of over 10 per cent. in the savings deposits; the current account deposits are at about the same level as prevailed at the close of the 1925 year. Total deposits now amount to $114,893,765, as against $105,995,201 last year, a gain of $8,901,564.

Total assets now amount to $139,070,229, compared with $131,483,689 at the end of 1925. Quick assets amount to $72,737,874, against $63,631,327 in 1925. Quick assets represent 57 per cent. of total liabilities to the public, with cash assets, amounting to $26,374,794, representing 20.67 per cent. of total liabilities to the public.

Current loans and discounts, after making provision for doubtful debts, now stand at $57,252,971, indicating that the bank is contributing its share of assistance to agriculture, commerce and industry, whilst maintaining its assets in a liquid position.

STRATHCONA JOINS COMMITTEE

MONTREAL.—The appointment is announced of the Rt. Hon. Lord Strathcona and Mount Royal as a member of the advisory committee of the Bank of Montreal at London, England.

The London committee of the bank now consists of His Grace the Duke of Devonshire, K.G., chairman; F. R. S. Balfour, Esq., Sir Hardman Lever, Bart., K.C.B., and the Rt. Hon. Lord Strathcona and Mount Royal.

Hon. T. A. Crerar, president of the United Grain Growers' stated that within 20 or 25 years, the United States will be forced to import foodstuffs in huge quantities and that necessarily the Republic will look to Canada to supply its requirements. He figures that more than $6,500,000,000 is invested in agriculture in Canada and that the farms' output in 1925 was worth $1,700,000,000.

Weekly Bank Clearings

(In comparison with the same week last year)

WEEKLY BANK CLEARINGS

Eastern Cities	Dec. 17, 1925	Dec. 16, 1926
Halifax	$ 3,621,524	$ 2,792,103
St. John	2,469,529	2,524,780
Moncton	1,007,752	1,176,384
Sherbrooke	793,208	1,062,263
Quebec	6,173,751	6,715,123
Montreal	107,326,067	114,626,208
Ottawa	6,981,969	5,990,443
Kingston	776,763	815,999
Peterboro'	823,705	806,883
Toronto	128,174,720	114,897,121
Hamilton	4,725,248	5,624,741
Sarnia	....	647,649
Brantford	1,398,350	1,183,512
London	2,873,928	2,720,887
Kitchener	1,139,481	1,100,354
Windsor	3,582,429	4,257,880
Chatham	....	649,712
Total, East	$272,868,484	$266,294,681

Western Cities	Dec. 17, 1925	Dec. 16, 1926
Ft. William	$ 1,006,205	$ 929,394
Winnipeg	92,657,773	61,976,539
Brandon	722,493	706,980
Regina	6,145,741	5,385,268
Moose Jaw	1,528,915	1,362,622
Saskatoon	2,622,747	2,284,627
Prince Albert	479,589	407,866
Lethbridge	849,774	657,800
Calgary	9,998,541	10,301,088
Edmonton	5,238,612	5,507,723
Medicine Hat	342,684	342,684
N. Westminster	708,007	656,743
Vancouver	16,240,780	17,844,187
Victoria	2,147,203	1,940,152
Total, West	$140,689,064	$110,303,773

BUSINESS MAN CALLS BANKERS TO STOP MENACE

Claims Terrible Commercial Wrong Can Be Righted By Banks

The menace of the N.S.F. cheque continues to occupy the attention, not only of bank men, but of business men. One Ontario manufacturer, writing to the editor of the banking page this week told of the severe losses suffered by his firm from dealing with individuals who staved off their creditors with worthless cheques. He is inclined to put it up to the banks to stop the evil.

His letter says:

I do not believe you could open a subject of more interest to the manufacturers and wholesalers of Canada, the United States and Great Britain than that of banking conditions and "kiting" cheques and drafts.

Invalid cheques and drafts have grown to such dimensions that it is a source of great loss to wholesalers and manufacturers generally. It might easily be said that thousands of worthless cheques and drafts pass through our branch banks in Canada weekly and it is certainly time that our banks should frown on these for the protection of the public, and the good name of Canada from a financial and credit standpoint.

Every branch bank manager knows his clients who practise this way of settling their bills, by attaching a worthless cheque or draft but it is high time that the head offices of the banks should instruct their branch managers to close out all such accounts for the safety of their patrons.

We have two instances this week of how it works out. One of these such firms failed, and while only a small store he had managed to gather in over $15,000 worth of merchandise, standing off his creditors with such useless drafts and cheques, as mentioned above. Another firm this week of a similar nature, failed about on the same par.

We say it is not fair or just that the banks of Canada should protect business of this kind and now that you are on the subject I feel sure you will not discontinue same until this terrible commercial wrong has been righted.

BANK OF MONTREAL

The Bank of Montreal has opened a branch at 1439 Yonge Street, Toronto, to be designated "Yonge Street and St. Clair Avenue branch," under the management of N. A. Hyland.

B.C. Telephone Control Passes to United States

The largest individual holdings of B. C. Telephone Company stock have been disposed of to Theodore Gary & Company, international telephone operators.

While details of the transfer are withheld, it is known that it involved some millions of dollars.

With the sale of the holdings of the largest stockholders the direction of the company does not pass from British Columbia hands, but will be carried on by President George H. Halse and his organization without change.

The stock owned by Mrs. J. M. Lefevre, largest individual shareholder in the telephone company, was the chief block concerned in the present transfer. Her husband, the late Dr. Lefevre, came to Vancouver in the eighties as the first C. P. R. physician here. He was one of the founders of the company, and the holdings of his estate have a value in the present sale of over a million dollars.

Following announcement that controlling interest in the B. C. Telephone Company had been acquired by the Theodore Gary Telephone interests, the stock jumped on the Vancouver Exchange to $200. Only two or three weeks ago it was quoted around $150.

London Life agent W. J. Middleton has been promoted to superintendent in Toronto 2 district, replacing M. H. Katz, who resigned to take up work in New York City.

Staff Gossip

E. C. Findlay, of the Royal Bank staff, has been transferred to Walkerville. He has been succeeded at the local branch by Mr. Henderson, of Kincardine.—Sun Times, Owen Sound.

Major Charles E. Fairweather, the new manager of the Bank of Nova Scotia at Renfrew, entered the service of the Bank of Nova Scotia in Sussex, going from there to Toronto, in 1909, to the general office.—Mercury, Renfrew.

John Pool, manager of the Royal Bank, St. Mary's, who has been a prominent figure in the business and community life of St. Mary's for the past 22 years, will retire from active service in the bank on December 31. Mr. Pool has been granted a year's leave of absence and after that he will be pensioned by the bank. His successor will be R. M. Wilson, a younger man in his early forties, who was inspector for some years and latterly has been connected with the credit department at head office, Montreal. Mr. Wilson is familiar with the work of the office here, having inspected the St. Mary's branch on two occasions.—Beacon-Herald, Stratford.

Dugald MacGillivray, who recently retired as superintendent of the Canadian Bank of Commerce and who now is touring Europe, will, on his return, it is understood, become associated with the Eastern Trust Company in an important position.—Chronicle, Halifax.

D. U. R. Bonds Pay 6½%

Detroit United Railways bondholders' protective committee have notified bondholders of a payment of 6½ per cent. on account of principal of first mortgage and collateral trust 6's. Payment will be made at offices of Central Union Trust Company, New York, 80 Broadway, after January first.

According to a report of the Dominion Bureau of Statistics there were 24 establishments in Canada manufacturing wines in 1925, as compared with 22 in the previous year. Wines manufactured had a value of $1,624,742, of which Ontario accounted for $1,516,982 and other provinces $107,760.

We recommend

Hamilton Dairies
Preferred and Common

DENMAN & CO.
LIMITED
INVESTMENT BANKERS
HAMILTON, ONT.
BRANCH: BELLEVILLE, ONT.

A. L. KOYL & COMPANY
General Financial Agents
SASKATOON
First Mortgage Investments, Property Management

Grant Johnston & Co
MEMBERS
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET
104 ST FRANCOIS XAVIER ST
MONTREAL
TELEPHONES MAIN 6184 & 6185

B. H. PORTEOUS
& Company
Stock and Bond Brokers
Members
Montreal Stock Exchange
Montreal Curb Market
17 St. John Street
Montreal, Que.

EXECUTORS, TRUSTEES, ADMINISTRATORS
Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST
& Executor Company
46 King St. W., Toronto

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office: Winnipeg
Branches: Saskatoon and Calgary

The West Develops

Those who are not familiar with the strong and steady growth of the West will find it profitable to do so.

Development is on sound lines and recognized industry pays well. Investment should be made under advisement of a reputable financial institution.

Pemberton & Son
Financial Agents
418 HOWE STREET
Vancouver, Canada

Extenuate Gold Mines
LIMITED
In the heart of the Portland Canal district.
Adjoins B.C. and National Silver holdings.

Reliable maps and information about this district will be sent upon request. No obligation of course. Write to-day.

John P. Kendall & Co.
INVESTMENT SECURITIES
Metropolitan Bldg. TORONTO Adelaide 2282

THE STANDARD TRUSTS COMPANY
OF WINNIPEG, MANITOBA

INVITES the patronage of Western people as well as that of Eastern people having interests in the West requiring attention.

Nearly a quarter of a century in business, it was the first Trust Company to operate west of the Great Lakes, having its head offices there, and, with a Directorate of leading business men, well versed in Western affairs, it is capable of giving unquestionably good advice to all clients and patrons on matters fiduciary.

It is especially equipped to handle executorships, administrations, and trusts of all kinds, investments, rentals and other collections.

BRANCHES: SASKATOON, EDMONTON LETHBRIDGE, VANCOUVER

Vancouver Holdings Ltd.
714-15 Board Trade Bldg., Vancouver, B.C.
BRITISH COLUMBIA
INVESTMENTS
TIMBER PULP WOOD AREAS MINES

WE place at your service over 25 years of actual business experience in British Columbia and we direct your special attention to inside business property in Vancouver.

HON. H. H. STEVENS,
Managing Director.
W. H. STEVENS,
Local Manager.

CPTCo

Are You Confident Your Will is Right?

A MAN who takes these three precautions will secure real peace of mind about his will.

1. Have a lawyer draw the will.
That saves the danger of litigation made possible by technical irregularity.
2. Discuss its practical provisions with this Company.
Our wide experience in Executorship might suggest a more practical method of achieving the result in mind.
3. Name the Canada Permanent as Executor and Trustee.
That places all the experience and all the corporate judgment of this Company at the service of the family. They are assured a permanent executor, a responsible trustee, a regular income.

For the sake of your own peace of mind and your family's happiness, make sure your will is drawn and executed so as to secure the very important ends you have in view.

THE CANADA PERMANENT TRUST CO.
Paid-up Capital One Million Dollars
Toronto Street Toronto.
Manager, Ontario Branch - A. E. HESSIN 25

For Sale
FEATURE NUMBERS
of the Financial Post

Every feature section of The Financial Post published this year has had a large increased circulation—substantial increases in the press run being made to provide for these additional sales.

A stocktaking of these feature issues shows that we have a few copies on hand. If any of these are of value please order at once, sending cash or stamps in payment, price 10c per copy.

The feature issues published by The Financial Post to date this year, and the copies available for sales, are:

	Number Available
Porcupine Mining Camp Feature, Jan. 22	None
Steel & Construction Feature, Feb. 12	None
Essex County, March 5	None
Real Estate Bond Number, March 19	None
Quebec Mining and Quebec Province, March 26	None
Insurance Feature Issue, April 9	None
Power and Public Utilities Review, April 30	200
Alberta Oil Issue, May 7	None
Trust and Loan Company Review, May 21	None
Income Builders' Feature Issue, June 4	None
Road Transportation Feature Issue, June 11	None
Government and Municipal Review Issue, June 25	450
Ottawa Valley & Hull Supplement Issue, Aug. 13	None
Alberta Oil Feature Issue, August 25	265
Pulp and Paper Feature Issue, Sept. 24	18
Fire Protection Feature Issue, Oct. 1	None
Milling & Food Industries Review Issue, Oct. 15	None
British Columbia Feature Issue, Nov. 5	None
Rouyn Mining Feature Issue, Nov. 12	None
Maritimes Province Feature Issue, Nov. 19	None
Western Canada Feature Issue, Nov. 26	None
Textile Industries Review Issue, Dec. 10	None
The Financial Post Record of Prospectuses, Vol. I., issued July 30 (a bound volume providing a complete and permanent record of prospectuses, annual reports, bond sales, and dividends, $5.00 per copy)	35
The Financial Post Survey of Mines, issued Sept. 25 (a bound volume giving a complete and authoritative outline of Canada's mining industry—over 6,500 copies sold, $1.00 a copy)	200

Each of these issues gives the most authoritative information on the particular theme—information written by men who have studied their subjects from the field. The Financial Post has had Editorial Staff members from Coast to Coast in Canada and in Europe many times during 1926. These men collect information for Canadian Business Men who need definite, complete and focused information.

If any or all of the above feature issues will be of value to you please order at once.

THE FINANCIAL POST
Circulation Department
143-153 University Avenue, Toronto 2

CANADIAN CO-OP. WOOL GROWERS SELL TO STATES

Domestic Manufacturers Take Only Small Proportion of Clip

Canadian Co-operative Wool Growers which has 2,000 stockholders, all of whom are sheep raisers, in 1926 have experienced a business year similar to the year experienced by the woollen industry. While the friendliest relations are maintained between the growers company and the woollen manufacturing industry, the growers have found it advantageous to sell the bulk of the clip outside the country.

The reason for this is said to be that the woollen manufacturers have found it imperative to concentrate on woollen goods, particularly woven fabrics of a quality which does not demand the highest grades of wool. This has meant a substantial importation of wool from India and elsewhere and the use of only a portion of the domestic clip. The United States has taken the bulk of the Canadian clip at from two to four cents the pound more than could have been obtained in Canada.

Might Support More

Sheep in Canada numbered 2,755,000 in 1925 (no figures are available for 1926). Comparing these figures with Australia, the Argentine and even Great Britain, sheep raising does not appear to be a well-developed industry in Canada. On the basis of population and area, there should be at least 10,000,000 sheep in Canada, not counting lambs, it is contended and it is believed that the country easily could support a sheep population of 50,000,000.

Farmers say that they have not raised sheep in any number in Canada because of the losses from dogs and wolves. The pioneers may have been deterred from this enterprise on account of the wild animals which prey on sheep and a later generation may have been deterred somewhat by the number of dogs which roamed the countryside. But in these days it is contended that sheep-raising should be a more highly developed industry, and one which would help the farmer to get into the income-tax paying class. Conditions in Canada lend themselves to this activity.

The market for Canadian wool, while it has not been wholly satisfactory in the last year or two should be generally good. It is possible that the sheep-raising industry may decline in the United States at least in proportion to the growing population. And if the woollen industry in Canada gets the protection it evidently needs against European importations the domestic market for high-grade wool will improve.

One thousand tons of corn from Argentine arrived at New Westminster, B. C. recently. This is the second parcel of corn to reach this port this fall and winter. The first parcel was of 6,000 tons.

FOREIGN EXCHANGES

May Stabilize Milreis at 6d.

Conducted by S. J. ZACKS.

Brazilian milreis have been fairly steady during the past few weeks and have hovered about the 11.90 cent level. This appears to confirm the recent report that a bill had been provisionally approved by the Brazilian Chamber of Deputies for the stabilization of Brazilian milreis at a gold value of 6d. The new gold unit is to be styled a Cruzeiro and will contain 800 milligrammes of gold 900 fine, and will be equivalent to 4 paper milreis. Doubtless with the stabilization of the milreis a new era will be ushered into Brazilian industry and finance.

The strong speculative undertone in the French franc continued and it established a new high during the week. The rise was attributed to the smooth working of political factions in France and the ready passage of the French budget, prior to adjournment of parliament last week. November foreign trade figures were also better as exports increased at a faster rate than imports over November of a year ago, and left an export balance. In view of the appreciating franc, the showing was even more impressive. So strong was the franc this week, that government agents had to step in and sell short of the franc and prevent a too burdensome inflation.

Stop Control of Belga

The Belgian government announced the cessation of control of capital movements, which is taken to mean the Belga will be allowed to move within certain limits. Capital exports from Belgium will again be permitted and the National Bank will cease making a market for the belga at par. Belgium has in part escaped the usual deflationary effect of a stabilization period, owing to the continual rise of the French franc and Italian lire following the stabilization of the Belgian franc. Belgium exporters have had a relative advantage over their French and Italian competitors.

The outlook for sterling continues bright. The customary year end strength in sterling is under way. Movements of funds for bank window dressing, etc., are in part responsible. Prospects for lower money rates in New York for 1927 have brought about a greater equanimity in London, and business feels that the strain of high interest rates will not be so great. Last week's drain of gold to the continent was not regarded with great anxiety in view of the expected flow of balances from New York, where easier money is expected in 1927.

United States funds weakened to 1-16 per cent. premium.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
	Premium		Premium	
Dec. 16	1-8	7-64	1-32	1-32
Dec. 17	1-8	7-64	3-64	1-32
Dec. 18	1-8	7-64	3-64	3-64
Dec. 20	3-32	5-64	5-64	1-16
Dec. 21	5-64	1-16	5-14	1-16
Dec. 22	1-16	1-64	3-32	1-16

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Dec. 16	4.84 15/16	3.97½	4.47¾
Dec. 17	4.84 13/16	3.99¼	4.47¼
Dec. 18	4.84 13/16	4.00	4.48¼
Dec. 20	4.84 11/16	4.03½	4.53
Dec. 21	4.84¾	4.00½	4.46½
Dec. 22	4.84⅞	3.96¾	4.46¾

FOREIGN EXCHANGE

Par		Dec. 15	Dec. 22
19.30	Italian	4.50	4.47
32.45	Brazilian	11.81	11.81
23.82	German	23.83	23.82
19.30	Belgium	2.78½	2.78½
84.85	Japan	48.95	48.90

THE NATION'S BUSINESS

(Continued from page 1)

velop in college circles in Toronto under foreign direction for the purpose of setting class against class and province against province. Sir Arthur Currie showed in a speech, in Toronto some years ago that this was going on throughout Canada. The organization and uprising of youth in the recent Ontario election under the co-operation of a daily newspaper was a subsidiary of the movement. The extraordinary thing is that this work is so often carried on in the name of Christianity and morals. An amazing bulletin was distributed at a meeting held under the auspices of the Christian Student Movement in Hart House at Toronto University, giving instructions for secretly creating discontent by discussion-debates like the anti-French one referred to above and the recent uprising of Youth in the name of good morals. The men back of the original youth movement here were just as immoral as one could well imagine.

SINCE 1903, railway rates in this country have been made by the Railway Commission, which is the only way they should be made, by experts who devise them on a scientific basis and to suit existing realities. That practice is now gravely imperilled. Whereas during whole of the Laurier regime, and, indeed, up to 1921, the decisions of the Railway Commission were never appealed, it is now becoming the custom to flout the decisions of the commission and to go to the cabinet or to parliament to get rates fixed for political considerations. As a consequence, our railways, in which we have invested hundreds of millions and the principle underlying the Railway Commission, are in danger.

An article from the Ottawa correspondent of the Financial Post, appearing in this issue, tells what is taking place; and as the question comes before the cabinet during the Christmas recess, it is timely. The article is entirely non-partisan; it gives simply the news, and its significance.

Non-partisan handling of railway rate questions is too important to Canadian business to be imperilled without protest.

THE city of St. John, N.B., and the Citizen's Research Institute of Canada are to be congratulated; the city, because it has submitted its municipal affairs to a thorough and accurate inspection; the institute because it proved itself capable of producing a municipal survey of St. John, which is perhaps one of the most comprehensive documents ever prepared in Canada on the subject.

There is much rule-of-thumb management of civic affairs in Canada, many municipal systems that have grown up and not always symmetrically. Many cities can afford to make a survey of their systems of taxation, their plan of administration and their civic services generally.

Business uses the consulting engineers, the advisory counsel, widely and profitably. Governments can often make use of outside scrutiny of their projects and methods. It provides a counter-weight to the indiscretions of practical politics.

IT NEED occasion no surprise that Hon. James Malcolm, minister of trade and commerce, has seen fit to call for new tenders for the proposed steamship service to the West Indies, which Canada is called upon subsidize under the terms of the British West Indies trade treaty. When tenders were previously submitted, the government got a severe shock; it found that the service was going to cost a good deal more money than any one had thought. Hon. James A. Robb, who had charge of the matter, declined to accept any of the tenders nor during their short tenure of office, did the Conservatives advance the negotiations. It is hoped that now tenders can be obtained that will considerably reduce the anticipated cost of the service to Canada.

Delay in providing for the service and in bringing the treaty into effect might have aroused suspicions as to whether the government were not trying to get out of what is now believed, in many quarters, to be an arrangement under which Canada gives much and gains little. However, Mr. Malcolm states that the new contract for the steamship service will be awarded by the end of January and that the government will then introduce legislation to make the treaty effective.

THE delay has not cost Canada anything nor would complete abrogation of the treaty occasion any loss to the country, if we are to accept the opinion of the Maritime Merchant, a paper published in Halifax by I. C. Stewart, a very able observer of Maritime affairs. As the treaty was arranged chiefly to help the Maritime provinces, it is highly significant that the Maritime Merchant thinks that Canada "has landed itself with a financial liability out of all proportion to the economic advantages gained for Canada in return."

The Merchant bases its opinion upon its belief that the West Indies are vastly over-rated as a market for Canadian products.

Promise Subway at Detroit River

That the Border Cities are definitely assured of an international subway in 1927, is the information given to The Financial Post.

The Detroit & Windsor Subway Co. which is making application for incorporation at the next session of the dominion parliament, has announced its definite intention to proceed with the construction of a subway as soon as it receives sanction from the government. The subway will connect Detroit with the Border Cities and will have its terminals at central points on either side of the river.

The Canadian Transit Co., which was originally incorporated to build a bridge across the river at Detroit, has also applied for a renewal of its charter.

Trail Ore Receipts

Ore receipts at Trail Smelters of the Consolidated Mining & Smelting Co. from Dec. 1 to Dec. 7, 1926, inclusive, and from Jan. 1, 1926, to date, in tons, follow:

Company's mines	7,440	381,780
Other mines	4,708	158,284
Totals	12,148	540,064

Receipts from Dec. 8 to 14, inclusive, and from Jan. 1, to date, in tons:

Company's mines	6,694	388,474
Other mines	4,144	162,428
Totals	10,838	550,902

To Handle Big Financing

Ramsey, Stewart and Company is the name of a recently organized investment house in Toronto. The partners are C. F. Ramsey, formerly a real estate and investment broker under the name of C. F. Ramsey & Company, and J. A. Stewart, formerly provincial manager for the Northern Life. Their first big financing project will be in connection with the proposed $2,500,000 apartment hotel, to be erected in Toronto by Cosmopolitan Building Investments.

Canadian Industrial Alcohol Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-two cents (32c.) per share has been declared on the Capital Stock of this Company for the quarter ending 31st December, 1926, payable 15th January, 1927, to shareholders of record at the close of business 31st December, 1926.

By Order of the Board.

J. GIBSON LAWRENCE,
Secretary.

NOTICE

A Stock Dividend by way of Bonus to the extent of twenty per cent. (20%) of their holdings has been declared payable 15th January, 1927, to shareholders of record at the close of business 31st December, 1926, in accordance with terms and conditions to be contained in a letter to be mailed to Shareholders forthwith.

WAYAGAMACK PULP & PAPER COMPANY, LIMITED

Dividend No. 7

Notice is hereby given that a Dividend of Seventy-five Cents (75c.) per share has been declared on the No Par Value Common Stock of the Company, for the period ending 30th November, 1926, payable on the 3rd January, 1927, to Shareholders of record at the close of business on the 21st December, 1926.

By order of the Board.
D. L. ADAMS, Sec'y-Treas.

The Mount Royal Hotel Company Limited

PREFERENCE STOCK DIVIDEND

Notice is hereby given that a dividend of three per cent. on the preference stock of the Company has been declared and that the same will be payable Wednesday, the Fifth day of January, 1927, next, to shareholders of record at the close of business on the twenty-seventh day of December, 1926.

By Order of the Board of Directors.

D. H. McDOUGALL,
Secretary.

Montreal, December 20th, 1926.

Dividend Notice

A dividend of Three per cent. (3%) for the half year ending December 31st, 1926, has been declared on the Capital Stock of the Sterling Trusts Corporation, payable January 3rd, 1927, to shareholders of record December 20th, 1926.

By order of the Board,

J. R. LOVATT,
Secretary.

THE
STERLING
TRUSTS
CORPORATION
10-12 East King St., TORONTO
Branch:—REGINA

Textile Tariff Has Small Role

Tariff assistance to help some of the depressed textile industries in Canada would not result in a rise in prices. For example, presuming that a yard of fabric costs the consumer $2. Of this, $1 goes in distribution costs and of the remaining dollar, which goes to the manufacturer, amout 50 cents goes in raw material and 50 cents in labor. (Thus increasing protection would only affect about one quarter of the total cost of any fabric.) If the tariff were raised from, say 20 per cent. on such a fabric, it would only mean a further protection of five cents on $2 worth of piece goods. In other words, an increase in the cost of only 2½ per cent. as against such a large tariff increase as 10 per cent. of the total value of the goods produced. In other words the tariff only affects the cost of labor put into the goods.

Moreover, any further tariff concessions granted the Canadian textile industry as a whole would bring about more production in this country with consequent lower overhead and with it too, further domestic competition between the manufacturers. Thus, it is more than possible that such small concessions as the woollen manufacturers are asking for, would not affect prices on the finished article, for the increased production so achieved would reduce overhead and increase domestic competition.

ACCOUNTANT AND CREDIT MAN AVAILABLE IMMEDIATELY

Fully experienced and with excellent record on credits and collections. For particulars or interview, address

**Box 400, The Financial Post,
Toronto, Ont.**

"Better"

Kennedy Castings

From your own pattern or to your drawings, in all metals, cast iron up to 20 tons; in cast steel up to 3 tons. Our pattern shops are at your disposal.

The Wm. Kennedy & Sons Limited
OWEN SOUND, ONTARIO.
Representatives at Cobalt, Toronto, Montreal, Halifax, Winnipeg and Vancouver.

The Shawinigan Water & Power Company

Notice is hereby given that a dividend of Two per cent. (2%) has been declared on the Common Stock of the Company for the quarter ending December 31st, 1926, payable January 10th, 1927, to Shareholders of record December 24th, 1926.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, December 16, 1926.

TOWN OF BRIDGEBURG

Sale of Debentures

$121,183.37 — 5½ —

15-year Term

Local improvement debentures issued on construction of the pavement on Gilmore Road, Wintemute Street and Lewis Street.

Tenders will close Dec. 29, 1926.

**Address — Town Clerk,
Alan S. Jackson,
Bridgeburg, Ont.**

HOLT RENFREW & CO. Limited

DIVIDEND NOTICE ON PREFERRED STOCK

Notice is hereby given that Dividends Nos. 28, 29 and 30, amounting to 5¼%, on the Preferred Shares of the Company, be and are hereby declared payable on the 3rd day of January, 1927, to shareholders of record at the close of business, on the 29th of December, 1926.

By order of the Board,

R. B. LINDSAY,
Secretary-Treasurer.

Montreal, December 16th, 1926.

Western Grocers Limited

Notice of Dividend

A dividend of one and three-quarters per cent. (1¾%) on the New Preference Stock of Western Grocers Limited has been declared for the quarter ending December 31st, 1926, payable January 15th, 1927, to shareholders of record December 31st, 1926.

By order of the Board,

W. P. RILEY,
President.

Winnipeg, December 17th, 1926.

Canadian Car & Foundry Company, Limited

ANNUAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Canadian Car & Foundry Company, Limited, will be held at the Head Office of the Company, 307 Craig Street West, Montreal, on Friday, the 14th day of January, 1927, at 12 o'clock noon, to receive and consider the Annual Statement of the business and affairs of the Company, for the election of Directors, and for the transaction of such other business as may properly come before the meeting.

By order,
A. C. BOURNE, Secretary.

Montreal, December 22nd, 1926.

Representation Wanted

Dutchman, having first class connections, wants representations of any kind of articles suitable for the German, Dutch and Dutch East Indies markets.

All correspondence will be done in the Dutch and German languages, so that results are guaranteed.

Low commission.

Write for full particulars to

F. A. VAN BRAAM,
112 Cathedral St., MONTREAL

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

Canada Northern Power Corporation, Limited

Preferred Stock—Dividend No. 8

NOTICE is hereby given that a Dividend of One and three quarter per cent (1¾%) being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1926, payable January 15th, 1927, to shareholders of record December 31st, 1926.

By order of the Board,

L. C. HASKELL, *Secretary.*

November 26th, 1926.

Canada Cement Company Limited

ORDINARY SHAREHOLDERS
DIVIDEND No. 43

Notice is hereby given that a dividend of 1½% for the three months ending December 31st, 1926, being at the rate of 6% per annum on the paid up Ordinary Stock of this Company, has been declared and that the same will be paid on the 17th day of January next to Ordinary Shareholders of record at the close of business December 31st, 1926.

H. L. DOBLE,
Secretary.

Montreal, December 16th, 1926.

THE NORTHERN MEXICO POWER & DEVELOPMENT COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT a quarterly dividend of One and Three Quarters (1¾) per cent. has this day been declared on the Preferred Stock of the Northern Mexico Power & Development Company, Limited, payable January Third next, to shareholders of record at the close of business on the 22nd day of December, 1926.

A dividend of One (1) per cent. on the Common Stock of The Northern Mexico Power & Development Company, Limited, has this day been declared on the Fifteenth day of January, next to shareholders of record on the books of the Company on the 31st day of December, 1926.

By Order, T. A. SPOOR, Secretary.

PROVINCIAL PAPER MILLS Limited

DIVIDEND NOTICE

Notice is hereby given that Dividends have been declared by PROVINCIAL PAPER MILLS LIMITED, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock.
Regular Quarterly Dividend 1½% on Common Stock.
Special Dividend 1% on Common Stock.

All payable January 3rd, 1927, to Shareholders of record as at close of business December 15th, 1926.

(Signed) W. S. BARBER,
Secretary.

Will be interested to represent a Mortgage Loan Company, in the cities of Montreal and Quebec. We can guarantee loans of about 3 or 4 millions a year. Write full information to

J. E. LAURIN LTEE.,
706 St. Gabriel, Montreal

THE TRINIDAD ELECTRIC COMPANY, LIMITED

Notice is hereby given that a dividend of 1¼ per cent. for the quarter ending Dec. 31st, 1926 on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N. S., on and after the 10th of January, 1927.

The transfer books of the Company will be closed from the 1st to the 10th of January, 1927, both days inclusive.

By order of the Board,

F. B. OXLEY,
Secretary.

Position Wanted

My experience as Organizer and Manager for over twenty years of a large and successful Real Estate Mortgage Loan business in Western Canada justifies me in offering my services to any company wishing either to commence or increase such business in the West.

Correspondence suggested leading to personal interview, either in Toronto or Montreal. Fully satisfying references available.

**Address Box 340,
The Financial Post, Toronto**

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank for the election of Directors, and for other business, will be held at its banking house, Nos. 23 to 25 King Street West, Toronto, on Tuesday, the 11th day of January next. The chair will be taken at 12 o'clock noon.

By order of the Board,

S. H. LOGAN,
General Manager.

Toronto, November 26th, 1926.

The Dominion Bank

NOTICE is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1926, and, in addition, a Bonus of one per cent. making a total distribution of thirteen per cent. for the current year—the Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Monday, the 3rd day of January, 1927, to Shareholders of record of 20th December, 1926.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, the 26th January, 1927, at twelve o'clock noon.

By Order of the Board,

C. A. BOGERT,
General Manager.

Toronto, 25th November, 1926.

THE REAL ESTATE LOAN COMPANY OF CANADA, LIMITED

No. 28 Wellington Street East

DIVIDEND No. 80

Notice is hereby given that a Dividend at the rate of three and one-half per cent. for the half-year ending 31st inst. has been declared upon the Capital Stock of the Company and that the same will be payable at the Office of the Company on and after 3rd January, 1927, to Shareholders of Record of 18th December, 1926.

By order of the Board.

E. L. MORTON,
Managing Director.

Toronto, 18th December, 1926.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, together with a Bonus for the year of One per cent., both payable on

1st January, 1927,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE, Manager.

Dominion Textile Company Limited

NOTICE OF DIVIDEND

A Dividend of One and Three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending December 31st, 1926, payable 15th January, 1927, to shareholders of record 31st December, 1926.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, November 25th, 1926.

Laurentide Company Limited

Dividend Notice

A Dividend of one and one-half per cent. (1½%) has this day been declared upon the Capital Stock of this Company for the quarter ending December 31st, 1926, payable January 3rd, 1927, to Shareholders of record at the close of business December 17th, 1926.

By order of the Board of Directors.

W. J. ROBINSON,
Secretary.

Montreal, Que., December 10th, 1926.

WOODS MANUFACTURING COMPANY, LIMITED

PREFERRED STOCK DIVIDEND NOTICE

The regular quarterly Dividend of One and Three-Quarters (1¾%) per cent. on the PREFERRED STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending December 31st, 1926, has been declared payable JANUARY 3rd, 1927, to Shareholders of record DECEMBER 28th, 1926.

By Order of the Board,

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, December 17th, 1926.

BILLING MACHINES FOR SALE

3 Elliott Fisher billing machines (fanfold type) two of the latest model. These machines are in perfect working order and capable of writing 900 invoices or statements in a day, producing as many as 12 clear copies at once. An opportunity for you to secure efficient billing equipment at a material saving.

**Write Box 320,
FINANCIAL POST,
Toronto, Ont.**

Canadian Mining News
THE FINANCIAL POST
Vol. XX. PUBLICATION OFFICE: TORONTO, DECEMBER 24, 1926 No. 52

Smelters Justified in Delaying Stock Split Another Year or So

Tremendous Expansion Program Will Require Large Sums of Money

START STEEL PLANT

May also Erect Copper Smelter on Coast and May Need One For Quebec Operation

Some people are being pictured as losing heart because of the delay in the much talked of stock split for Smelters.

The only grounds there are for believing that such a split is to be expected is street gossip. There is nothing official that any such move is contemplated, though some significance has been attached to the redemption of the outstanding bonds by an exchange of stock.

Splitting Smelters shares, now that they are selling so high, would undoubtedly make the shares more attractive to investors and speculators. It would have a tendency to widen the market. It would ultimately lead to a material enhancement in price and make those who got in early and at a low price, a lot more money than they could hope to make with the present high priced stock. These are undoubtedly factors in the gossip, kind of wish being father of the thought, though undoubtedly there is a good deal of soundness to the proposal, from the company standpoint as well.

Grounds for Delay

But in looking over the situation, it would seem that there are grounds which the directors might well consider sufficient to delay any such action for a year or so. This has to do with the large expansion program which the company has under way and which makes it difficult at the moment to size up just how large an operation Smelters is going to develop into.

One important point in regard to the Smelters' expansion program is that the company is going to need a tremendous amount of money. The Kimberley concentrator is making this money in sufficient quantities to allow for liberal dividends and bonuses on the present stock and to leave a surplus sufficient for financial expansions. These latter include:

Copper Smelter at Pacific coast.
Steel plant at Trail.
Quebec exploration.
Expansion at Trail, Kimberley and Moyie.

May Move to Coast

As pointed out recently in The Financial Post, Smelters has two important copper developments coming along at the Coast in Coast Copper and Sunlock. These look like interesting mines. The coast needs a copper smelter and there is a feeling abroad in B.C. that Smelters will soon move its whole copper operation from Trail to the coast. Without having any idea of what the company's plans may be, it is safe to say that such a move and a smelter would involve an outlay running into many millions.

The next new development that is pending is the development of a steel industry. Reports from the coast are to the effect that Smelters is waiting on a sufficient power supply before launching such a venture. The power is to be soon forthcoming from the West Kootenay power development which is now proceeding. It is said that Smelters has had preliminary plans for a steel plant under way for some time.

In addition to these developments, Smelters has a number of other new activities on the coast, these include the opening up of several new prospects, enlargements at Trail, Moyie, Kimberley, all involving a considerable amount of cash and a possible big placer gold venture that may ultimately take considerable money in providing dredges, etc.

Turning to Quebec, where Smelters has holdings totalling 22,000 acres,

(Continued on page 19)

2½ Year Smelters' Would Equal Book Value C.P.R. Holdings

Consolidated Smelters in 1926 distributed over $5,000,000 to shareholders.

It is rather interesting to note that this sum is just slightly under the book value of C. P. R. holdings in Smelters. C. P. R. holds 231,413 shares of Smelters. Shown on the books at $5,785,325 and having a present market value of $60,167,380, at the present price of $260 per share, a drop of $1,200,000 in valuation since Dec. 2, when shares stood at the high, $265.

Another interesting fact is that C.P.R. carries its shares on its books at par, $25. So that 2½ years' dividends at the $10 rate would wipe out the book value.

P. G. Fields Enlarges Porcupine Production

Ankerite Mines, controlled by Porcupine Goldfields Development, operating in Delora Tp., Porcupine, has increased its mill and cyanide capacity to 150 tons daily and further enlargements are possible, when the deeper development program on the North Vein System is completed. It is understood that Noranda production was $33,275, the average grade being $7.25.

Vancouver Draws $3,000,000 Business Yearly from Britannia Mine

Operation Produces Around $8,000,000 of the $236,000,000 New Wealth Which Mines of Canada Are Creating This Year

Canada's mines will this year produce around $236,000,000 in new wealth.

This is a material increase over 1925, the major portion of the higher output being attributed to Nova Scotia coal operations, general mine development in British Columbia, with about $1,000,000 mineral increase in Ontario.

What this tremendous production of new wealth means to the country, few realize. Many business men in non-mineral producing sections say they are not interested in the mines; that the mines mean nothing to them in the way of business.

A very interesting answer to this comes from British Columbia. It tells what Britannia Copper Mine, which produces but $8,000,000 of this $236,000,000, spends in Vancouver.

These figures are also in the east, in lieu of the copper mines coming up in Quebec and copper possibilities in Ontario.

C. P. Browning, Britannia's general manager, lists the mine's yearly expenditure in Vancouver as follows:

Mining supplies	$ 900,000
Stock for company stores	450,000
Payroll (1,000 men)	1,700,000
Total	$3,050,000

Recent advances made in mining operations at Britannia have given a large increase to production and mean much to the life of the mine. The operation this year has handled 3,300 tons daily, a new Britannia record.

BILLION DOLLARS PRODUCED BY 7% OF N. ONTARIO'S VAST MINERAL LANDS

Northern Ontario has 2,600,000 square miles of mineral lands, of which only 7 per cent. has been exploited; and yet this seven per cent. has already produced metals to the value of a billion dollars. Such was the summing up of Geo. C. Bateman, secretary of the Ontario Mining Association. "Twenty years ago," he reminded his hearers, "Northern Ontario was practically an unknown wilderness. To-day it is the centre of a large and growing industry. Last year's metallic production in that area ran to $60,000,000 or $10,000,000 more than the year before. Adjoining this land, in northwestern Quebec, one sees the most intensive scientific prospecting the world has ever known."

Funny Price Ranges Seen

Quebec Stock Flurry Places Prospects on Higher Plane Than Producers

Ontario		Quebec	
Vipond	$1.67	Osisko	$1.95
Castle	1.09	Amulet	1.90

The recent bull market in Quebec shares sets up some new ideas of value. There are two interesting examples. Osisko sold up to $1.95 and Amulet about the same. In the same market Vipond is selling at $1.67. Premier, $1.85, Castle $1,09.

Osisko is suspected of having the extension of the Horne ore body. It is not known that it has. They are going to put a diamond drill down through the lake this winter to try and prove it. If they do, they say Noranda will have to buy it and pay $5 a share. That's the gamble.

Amulet is in a somewhat better position. It has considerable ore proven and indications of better things.

Vipond has a 300 ton mill operating, producing around $65,000 monthly and early in the new year is expected to pay a dividend.

Castle is producing high grade silver from at least two faces on eight levels and is ready to open up the ninth. Is going to sink a new shaft and explore known ore bodies.

Tonopah Has Another Shoot of Silver Ore

Tonopah Mining has encountered another new silver ore shoot in Gowganda, this time on the Morrison. It is opened for 150 ft. on the 375-ft. level. With several years' ore in sight for the mill, now handling about 65 tons daily, production is likely to be stepped up.

B.C. Silver-Lead Shipper For Victoria Syndicate

Paradise mine, Lake Windermere Division, British Columbia, has been taken up by Victoria Syndicate. The mine has shipped considerable lead-silver ore but freight charges were prohibitive as the property is 19 miles from the railway. If the mine development warrants it. Victoria Syndicate will put up a mill.

Another Naphtha Producer

Illinois Alberta well, Turner Valley, which has been finished by a diamond drill, has blown in with a production estimated at 400 barrels of naphtha daily. This makes four such producers, Royalite 4, McLeod 2, and Vulcan being the other three.

TWO "M'S AND N'S" LOOK ATTRACTIVE IN MINING SHARES

Four Mining Stocks That Are Regarded as Having Big Possibilities

WELL DIVERSIFIED

Gold, Silver, Copper, Zinc Are Included Among Their Products—Will Pay Dividends

McIntyre Mining Corp. Nipissing Noranda

In the middle of the alphabet of mining names are the above four companies and they seem to stand out with many people as being four of the soundest purchases in the mining list.

A market student and statistican of note has of late turned some attention to the mining list and it is his conclusion that the above named four issues stand out clearly.

They represent wide diversity of activity and metals and unlimited possibilities. Two of them are single operations. McIntyre, a Porcupine gold operation that even the most conservative engineers admit, is still very much in the development stage, and Noranda, which has the Horne copper-gold property in Quebec. This property, developed down 300-ft. possesses rich deposits of high grade copper ore that may run anywhere from $30 to $40 per ton. It is now building a smelter.

Real diversity comes doubly from the other two. The "M" Mining Corp. represents possibilities in silver, gold, copper and zinc. Its Cobalt property has stood up well. It has large, high grade silver reserves in South Lorrain. It has a new silver prospect coming along on South Lorrain. It has the spectacular Cryderman gold property in Central Manitoba, now being diamond drilled, owns the Flin Flon copper-zinc gold-silver property in Northern Manitoba, optioned to Whitney interests and has interesting copper-gold prospects in Montbray Tp., Quebec. Its finances are in fair shape.

Nippissing's Cobalt silver operation continues to stand up well and it is conceded that it has a new silver mine in South Lorrain. Recent attention has been attracted to this concern, however, because of the spectacular ore it has found on the properties under option from Quebec Prospectors, Ltd. It would seem to presage big things for Nipissing.

Noranda is the only non-producer and non-dividend payer. McIntyre is on a 20 per cent. basis or $1 per share per year. Mining Corp. 25 cents per year. Nipissing 12 per cent. or 60 cents per year.

MANY NORANDA RUMORS ABROAD

Suggested That Ore May be Shipped—Talk of Issuing Stock

Reports are going the rounds that Noranda may find it more advantageous to ship some ore to an outside smelter pending the completion of its own plant at the Horne property. There is also much gossip going the rounds in regard the $3,000,000 bonds in Hollinger's hands, one report being that the company would give shareholders the right to take up new shares at $15 and that the issuance of 200,000, nearly all the shares remaining in the treasury, would retire the bonds. Noranda gave Hollinger a bonus of 30,000 shares when the loan was made. However, to many on the street it hardly seems feasible that Noranda would make any such move to retire the bonds at such a time, when in perhaps a very short time, it would find the shareholders eager to take up new shares at around $20 or $25.

Avalon Peninsula of Newfoundland May Prove Huge Iron Ore Field

Interim Geological Report by Dr. Baker Indicates Development of Area May Achieve Notable Results—Full Report to Be Considered by Government

Special Correspondence.

ST. JOHNS, Nfld.—The new government geologist of New Foundland, Herbert A. Baker, D. Sc., F.G.S., F.R.G.S., has returned to St. Johns after making a four months' reconnaissance tour of a considerable part of the peninsula of Avalon. Dr. Baker is now engaged in preparing his reports for submission to the government.

In an interim report to the government, Dr. Baker expresses himself as being very hopeful concerning the future of a considerable part of the peninsula as an iron ore producing area.

His report has not yet been considered by the government and it is inadvisable, at the present juncture, to state the full text of it, but it may be mentioned that future intensive operations in regard the development of iron ore in the Peninsula of Avalon are likely to achieve notable results.

Newfoundland May Soon Develop New Iron Ore Deposits

Peninsula of Avalon, Newfoundland, may blossom out as a large iron ore producer. It is right at St. Johns, many miles removed from the Belle Isle iron ore mines. A geological report on the section has just been prepared for the government by Dr. H. A. Baker, London, Eng., geologist. The report indicates possibilities of immense iron ore deposits of economic value being discovered on the peninsula. The government has placed the area in reserve for the present.

HARVIE STOCK IS NOW COMMANDING A 50% PREMIUM

Spectacular Developments Are Now Being Launched on Quebec Property

MONTREAL.—Concurrently with the progress on both Harvie Mining Co properties has come a demand for stock from Montreal interests who forsee in the early process of financing two mines an attractive opportunity for holders of the Harvie mining company stock. There is also a strong buying interest from the mining towns in the north where there seems to be a growing conviction that mining interest in the N.W. Quebec area, commonly referred to as the Rouyn district, will centre chiefly around the Harvie operations during the next few months.

The Harvie operations have a particular interest for mining men from the fact that Dr. Harvie has had sufficient courage of scientific conviction to resist the temptation to work for early spectacular showings and has brought to bear during the past two years a degree of deliberate thoroughness which has paved the way for present operations. Having defined his situations he is now developing a program of work which will satisfy the most eager craving for action. With north country shareholders willing to pay a fifty per cent. premium to secure additional stock it is not surprising that the general public in the south is becoming interested.

$15,000,000 Ore Body Among Teck-Hughes Possessions

There is some bullish news abroad on Teck-Hughes. From a reliable source The Financial Post learns that the big ore body on the deepest levels has opened out tremendously. The way the shoot was described was that this body, found on a certain level, presumably the 15th, had been opened for two levels above and two below which would take in five levels, that it showed a width of 50-ft. and that the ore gave an average value of $100 per ton. It was conservatively estimated that there is $15,000,000 to $20,000,000 worth of ore in this one shoot.

Quebec Prospectors Holding the Centre of Nipissing's Find

Quebec Prospectors, an organization built up among Ontario mining men, geologists and engineers a couple of years ago, has struck it rich inasmuch as Nipissing has given almost definite assurance that it will go ahead with the development of the prospectors Montbray property, which it has under option.

Nipissing is reported to have indicated in a fairly substantial way by surface work and drilling, three copper zones on which it will continue to work during the winter. High copper values and in some cases quite high gold values have been encountered over great lengths.

The Quebec Prospectors group consists of 10 claims and Nipissing staked an additional 45.

WILL THE HECTIC TRADING IN MINE SHARES CONTINUE?

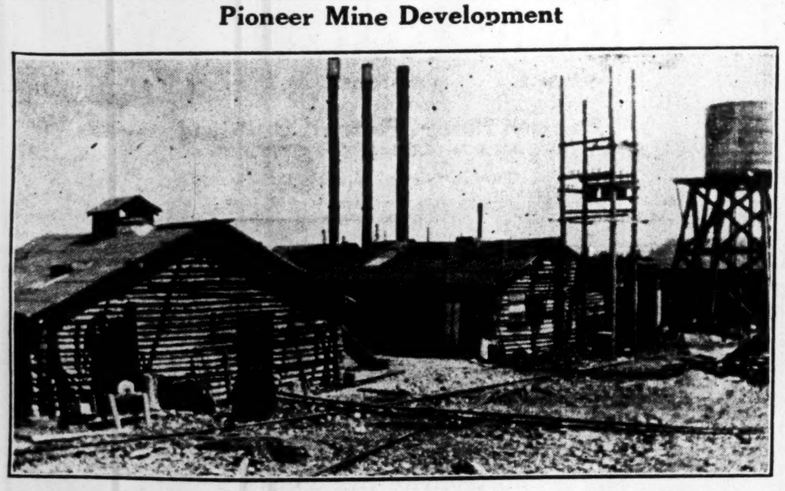
This is Question Asked—Dividend Payers Took Second Place

The mining market broke all bounds during the past week and with Quebec stocks providing the leadership, piled up million share days and then set a new mark by handling over a million shares in one morning session.

Many new high points were made by a number of stocks as will be seen by the mining share table published elsewhere in this section. The rather remarkable feature of the whole market was that most of the real active issues were stocks of operations still in the prospect or development stage, but which have a certain amount of merit because of discoveries or location.

The market incidentally shattered the predictions of many that there would be a quiet market this Christmas. Now they are asking where is the market going. There may be an easing right around Christmas, but the general opinion is that the market is not through. Many brokers believe that the Quebec leadership will dominate for a time yet and that attention will then switch to the better class of stocks and that the dividend payers will have a session of their own before the market eases.

Pioneer Mine Development



Above is a picture of the power house of Central Manitoba Mines at Long Lake, about 100 miles north-east of Winnipeg. This mine, controlled by Boston, London, Eng., and Winnipeg interests, will likely be Manitoba's first real gold producer. A 250-ton mill has been ordered and will be taken into the property over the winter roads. Henry Hanson, M.E., who designed the mill, will have charge of construction.

DRAPER DOBIE & CO.
Members Standard Stock Exchange
NORTHERN ONTARIO BLDG.
Phone Adel. 2324 TORONTO

WRITE FOR OUR MARKET LETTER
F. J. CRAWFORD & CO.
F. J. CRAWFORD
S. J. McGRATH
MEMBERS STANDARD STOCK AND MINING EXCHANGE
STOCK BROKERS
10 JORDAN STREET
TORONTO, CANADA
Cable Address "Service"
PERSONAL SERVICE

REDUCE YOUR OVERHEAD
Our officers have years of experience in Company Management, Secretarial Duties and Transfer and Registration of Stock.
Protect your interests properly.
Make this your registered office.
THE VENTURA CORPORATION, LTD.
FINANCIAL AGENT TRUSTEE MINE INSURANCE
67 Yonge Street Toronto-2

P&P
MINING STOCKS
We offer a complete brokerage service based upon experience gained during more than half a century for the purchase and sale of all securities. Correspondence invited. Direct wire connections.
PELLATT & PELLATT
LIMITED.
244 Bay Street Toronto
EST. 1866

Four Big Base Metal Producers of B.C. to Push Up Their Output

Granby, Britannia and Sullivan Have Large Reserves—Allenby Recently Found New Ore Body—Handling 2,000 Tons Daily—Province Looks For Big Increases

From Our Own Correspondent.

VANCOUVER. — The past five years have been the most active in the history of British Columbia mining, with the single exception of the period 1896-1901, during which production value leapt from $11,307,000 to $41,191,000—an increase of 400 per cent.

The last five years increase in value of output has been more than double the total value of minerals produced during the record period at the turn of the century. During the quinquennial period ending in December, 1926, the percentage of increase was 46 per cent.

That the next five years will witness even more striking increases is indicated by the plans of the principal producing companies, which have already made important changes in their plant organization with a view to expanding the scope of their operations on an enormous scale. All the big companies have vast reserves which will assure them of steady activity for years to come with steadily mounting output.

Granby Company, which is producing copper at the rate of 40,000,000 pounds of copper per annum, expects an extension of its life at Anyox from the ten years hitherto estimated to probably fifteen years. If the company maintains its present stride for fifteen years it will have produced half as much as the entire province in the last thirty years.

Conservative Britannia Mining & Smelting Company places its reserves at about 6,000,000 tons, and this figure is based on "ore in sight." The ore zone has not been developed for more than 25 per cent. of its length, and the depth of some of the ore bodies is unknown. The mine produces between 33,000,000 and 34,000,000 of copper every year.

Allenby Copper Company had cut down its estimates of the ore reserves at Copper Mountain from 10,000,000 to 6,000,000 tons. But a new body of ore has been revealed which will probably result in restoration of the old figure. The company's output is now about 20,000,000 pounds of copper annually, 2,000 tons of ore being taken out of the mine daily.

The biggest of them all, the Sullivan mine, has estimated reserves of 88,000,000 tons and additional millions will probably be added as development continues. The mine at this rate will have a life of nearly sixty years. If present values are maintained Sullivan may be expected to produce in that period 264,000,000 ounces of silver, 7,999,200 tons of lead and 4,400,000 tons of zinc.

Metalliferous mining in British Columbia is still in its infancy. The Slocan will be mining silver-lead-zinc for many years to come and the Omineca country and Portland Canal, just coming into their own, hold rich promise for the future.

RUN LONG CROSSCUT

United Mineral Lands, operating in Delora Tp., Porcupine, is running a crosscut from Ankerite's workings through Paymaster's south claim to cut into their holdings. The plan is to cut the eastern extension of Ankerite's south vein. The work done on Ankerite property has opened some nice ore.

Quebec Mining Laws in Brief

Quebec aliens enjoy the same privileges as British subjects in mining.

The miner's certificate gives the right to prospect on all lands surveyed or unsurveyed, including land of private persons where mining rights have been reserved to Crown.

A miner's certificate costs $10 and is valid from date of issue until first day of January next following. It entitles holder to stake on his own behalf one or more claims, but not more than five, each covering not more than 40 acres and aggregate area of the five claims not to include more than 200 acres.

Each claim shall have the shape prescribed and shall be marked by numbered stakes at each angle, also by a picket known as the discovery post, which shall be placed at the point that apparently carried the most valuable mineral and best characterizes the deposit.

In subdivided lands, claims are restricted to a half lot or a quarter lot in cases where lot contains more than 120 acres. Staking in surveyed areas is also governed by special regulations.

Notice of claim staked must be given within the 15 days to Department of Mines or nearest mining agent.

Holder of a miner's certificate may also stake claims in names of other persons who have certificates, but not exceeding a total area of 40 acres in any one year; that is to say, he may stake for two other persons. The procedure to be followed in that form of staking is governed by certain special rules.

A claim may be abandoned and replaced by another, provided notice is given the Department. Land covered by a claim that has been abandoned cannot be re-opened for prospecting nor restaked until a period of 15 days has elapsed from date of abandonment, or expiry, during which time a notice of it may be posted up.

Holder of a claim must, within six months, prove that he has done development work equivalent to 25 days of eight hours each. The months of January, February, and March, are not counted in the specified six months' period.

Mining License

Within the six months allowed for assessment work, holder of claim who wishes to maintain rights over it must secure a mining license.

Fee for a license, $10, and annual rental, 50c per acre. License is valid for one year from date of issue, and is transferable by consent of Minister. It cannot cover more than 200 acres, and, in surveyed territories, half or a quarter of a lot, according as the area of the latter measures more or less than 120 acres.

Holder of license may renew it before it expires, or within ten days thereafter, on payment of fee of $10, and an annual rental of one dollar in lieu of required affidavit stating that required development work for year during which the license is current, namely, 25 days of eight hours each for every 40 acres, has been done. An excess of work done within any one year may be applied on next year, as well as cost of surveying and core-drilling.

In the case of lands situated more than 50 miles from a railway, Minister may substitute an additional annual rental of one dollar in lieu or required development work. That substitution, in fact, may be granted in any case where Minister deems it advisable. Fee for a mining license exclusively for industrial and commercial purposes is always one dollar a year per acre, upon filing of a special declaration under oath. In case of a group of claims not exceeding 5 in number adjoining one another, development work may be concentrated upon one of them. Development of an underground mine can only be undertaken with permission of owner of surface rights, or failing such permission by arbitration.

Mining licenses covering natural gas and mineral oil are subject of special procedure.

Notwithstanding the foregoing, a mining concession may be made at any time and at any stage of the claim or of the mining license, without delay. The cost is $5 per acre for the "superior metals and minerals" as defined by the regulations, and $3 per acre for the "inferior minerals." A mining concession is limited, in unsurveyed territory, to a rectangular area of not more than 200 acres nor less than 40 acres, the claims to be at least 20 chains wide, adjoining one another or separate. In surveyed lands and in seigniories, the limit is fixed at not more than two lots and not less than half a lot, in the case of lots less than 120 acres in area; or of not less than a quarter of a lot where the lots are larger, with certain exceptions provided in special cases.

The land must be staked as in the case of mining license. Any owner of mining lands, even if his title deeds are only conditional, may transfer his mining rights with the consent of the Minister. Department must be advised of sale by dispatch to them of deed, together wtih sum of $10 for registration fee. Same is true in case of transfers of lots held as claims or under a mining license.

The concession covering "superior metals" is inclusive of "inferior metals," but not the reverse.

The grantees of a concession may utilize the wood on it for construction of necessary buildings by paying value of white and red pine only.

Paymaster Finds New Porphyry Ore Bodies

Diamond drilling on Porcupine Paymaster property, Porcupine, has revealed that the company's large quartz-porphyry ore body extends about 750 ft. further east, according to Mgr.-Dir. Frohock.

Sufficient work has not been done to permit a definite statement as to its width, but, so far, the narrowest width is about 50 feet, while drilling shows well over 100 feet at several points.

What appears to Mr. Frohock to be an entirely new body of porphyry was encountered on the 300-ft. level while drifting to the point selected for upraising the new main working shaft, which lies to the west of the present shaft. The drift was continued as a crosscut beyond and through the ore body and it proved to be about 63 feet wide of a good milling grade. The raise for the shaft was started and continued upward in ore for nearly 100 feet where, due to the dip of the body, it passed out. A diamond drill hole put in to ascertain if the body extended west, passed through what is believed to be the same ore body about 350 feet farther west and at this point a width of approximately 160 feet is indicated. The ore appears to carry the same values as those obtained in the main porphyry body.

Dunwell Mill May be Going by End of Year

R. M. Stewart, managing director of the Dunwell Mines, Portland Canal, B.C., says the Dunwell tramway will be complete very shortly, and the mill will be in operation by the end of the year. It is stated there is a large amount of mill feed now ready on the dumps. When removing debris for construction work a new body or ore, four feet in width, was discovered, and it is probable that this is a continuation of the Surprise vein, that was located in No. 4 tunnel.

MUNROE TP. COPPER FIND

R. S. (Bob) Potter, many times mayor of Matheson, lumberman and all-round northern pioneer, is said to have discovered copper in Munroe Tp., in which area is located the old Croesus. This section has been staked a couple of times. It is understood that a 28-ft. zone of chalcopyrite and zinc has been encountered.

FAVORABLE ZONE ON AREA

The rise in the market for Area shares during the week is based on the results obtained in the recent electrical survey. A most favorable zone is reported to have been indicated by the survey. It is understood that the indicated or delimited zone will now be diamond drilled.

Think Tin Smelters In Canada Would Prove a Success

U. S. interests think well of the proposal to establish a tin Smelter on the Saguenay near the large aluminum plant at Chute-a-Caron. Engineering and Mining Journal, New York, says the proposal impresses mining engineers in the government service as a thoroughly feasible project and ore which will be a benefit to the United States, where more than half the world's output of tin is consumed. It adds:

"The plant, which would use some of the power now being developed on the Saguenay River, would be near the principal centres of consumption.

"As Canada is a part of the British Empire tin smelting could not be stifled there, as was done when plants were built in this country. Ocean freights from Bolivia to the Canadian smelter would be less than to Old World plants and would be no higher on cargoes from Nigeria."

Quiet Accumulation of Red Lake Claims Is Now Taking Place

Red Lake detracted a lot of interest from Quebec when it burst into the limelight. Now Quebec is having its turn with a vengeance. In the meantime, with Red Lake properties going begging, several different interests are in the market for Red Lake groups providing they can be had cheap enough. It is known that during the past week or so two or three deals have been concluded. The purchasers are sufficiently strong to be able to wait for handsome profits when the camp comes back.

Keora May Start Its Mill Early Next Year

It is reported that Keora Mines has been meeting with better results on the 200-ft. level of its Calcite Lake property in Gowganda camp. The company has been operating two machines for two shifts. It is understood that considerable ore has been put in sight and it is possible that the small mill on the property may be started early in the new year.

Another Find of Gabbio Near Noranda

Rather an interesting situation came to light in completing the surface mapping of Laval's group of claims near Noranda. South of the larke dyke and west of Blondin Lake and a new baggro deposit was encountered. This may be the extreme west section of the main dyke or a new one altogether. Only further work will give the answer. Gabbro is regarded as having a most important influence on the deposition of minerals.

Penley-Cobalt May Resume Next Spring

Walter Penley, Penley Cobalt Mines, South Lorrain, has negotiations under way for finances to resume operations on his property in the spring. The group is located south of Nipissing and adjacent to Mining Corporation's new holdings in South Lorrain. Some good showings have been encountered in the property and native silver was found in sinking the 60-ft. shaft on the property.

SCHREIBER GROUP WILL SPEED UP ITS DEVELOPMENT

Harkness-Hayes Work to Date Seems to Give Considerable Promise

Harkness-Hayes Gold Mines, Schreiber, Ont., is said to be giving indications of developing into a producer. The company is now proceeding with the installation of a new plant.

Orders have been placed for the compressor and other equipment necessary, and, in fact, delivery of this machinery is expected within a few days. Co-incident with the installation of this equipment it is proposed to increase the working force and put under way an intensive exploratory program.

High assays obtained from a piece of float lead to the discovery on the property, and no less than eight distinct veins have now been opened up, all of which have yielded important gold assays, and some of them have been proven to be startlingly rich. The veins strike northeast-southwest and dip about 80 degrees northwest along the edge of a large hill of keewatin lavas, diorite, iron formation, etc. The hill itself is about 250 feet in height, at the base of which Algoman bornblende granite and syenite extend four miles southerly to Lake Superior. The vein material is quartz and pyrite carrying in places small quantities of galena, zinc blende and copper pyrites. The iron pyrite occurs in cubes, from the size of a pea up to an inch across, extensively fractured and often carrying visible gold in spectacular quantities. In some places the surface matter is badly decomposed, leaving a soft rock from which the cubes have disappeared, and in these cavities quanties of gold dust can be seen.

Most Promising Vein

The most promising vein on the property, the No. 3, has been traced and opened up for 600 feet by trenching and stripping, and while the other veins have not been worked on to the same extent, enough is known to establish that most of them are continuous over the hill. An adit is being driven into the side of the hill on a horizontal plane from near the base to encounter the veins stripped on surface, and at this writing 190 feet of this work has been done by hand drilling. The adit bears north for 104 feet and at a point 52 feet from the mouth a drift bears north for 86 feet. This drift will be continued to encounter the No. 3 vein, and from that point will be carried to cross-cut veins No. 1 and No. 2. The other drift will be continued north through the hill to cross-cut veins 4, 5, 6, 7, and 8.

Gold and Silver Values

The property lends itself to economical exploration, and a small amount of development should put a lot of ore in sight, for the workings at the present surface level give a backing of about 250 ft. Some idea of the richness of the ore may be had when it is known that assays taken from veins on the property have run as high as 3,392 per ton in gold, and from sixty-six samples assayed in the Ontario Government laboratory an average of $80.80 was obtained. A ton of ore broken from the No. 1 vein was shipped to the School of Mines at Kingston, and returned values of $115.90 in gold, and 3.21 ounces of silver. By stamp-mill and amalgamation 61.9 per cent. was extracted as bullion, 24.4 per cent. was recovered in the concentrate, and 13.7 was left in the tailings, and both concentrates and tailings were found to cyanide readily. Very recently a shipment of about 1,500 pounds was sent to the Timiskaming testing laboratory from the No. 3 vein, and this returned gold value of $100.80 per ton. With such results in mind it is not difficult to appreciate that officials of the Harkness-Hays company are hopeful of success.

MINING STOCK QUOTATIONS

Week Ending Dec. 21

	Par Val., $	Div. Rate	Yield	High for wk.	Low wk. for	Close Dec. 21	Sales wk. for	Range, 1925		Range, 1926	
								High	Low	High	Low
Amulet	$1	...	...	1.97	1.51	1.76	469255	1.50	.85	1.97	.90
Algonquin	1	...	...	4½	3½	3½	51000	3	1	6¼	1¼
Apex	1	...	...	3	3	3	1000	..	..	6	3
Area	1	...	...	1.00	49	80	1246750	..	...	1.00	.21
Argo. Con.	1	...	...	56½	43	54½	537320	48	11	67	18½
Atlas	1	...	...	2¼	2¼	2¼	2500	5	¼	5	1⅝
Baldwin	1	...	...	3¾	3	3¾	111800	7	1⅞	6⅞	1
Barry Holl.	1	...	...	86	83	84	99350	50	18	1.00	.22
Beaver	1	...	...	55	54	55	18350	57	25	99	52
Bellellen L.	1	...	...	20¾	20½	20½	6000	..	..	23½	20½
Bidgood	1	...	...	9⅝	8	8	50500	16¼	4¼	9⅝	4½
Boston Creek	1	...	...	....	..	..	...	9½	4½	7½	2¼
Bourlamaque	1	...	...	1.42	1.35	1.42	71225	..	..	1.42	.66
Buckingham	1	...	...	5	4¾	4⅞	28000	5¾	2¼	5	2
Can. Lorrain	1	...	...	60½	58	58	19900	80	22	93	45½
Capitol	1	...	...	42½	25	25¾	75400	38	24	50	25
Castle Tre.	1	...	...	1.13	1.07	1.09	25645	1.60	.71	1.85	.91
Chaput H.	1	...	...	5	3¾	4½	56750	10	4	31	3¼
Clifton	1	...	...	2	1½	1½	2500	26	2	6½	1½
Coniagas	5	...	...	4.50	4.20	4.40	3795	5.00	1.25	4.80	3.00
Coniarum	5	...	...	3.50	3.50	3.50	100	4.00	1.00	4.45	3.00
Col. Kirk.	1	...	...	2¼	2	2⅛	19000	10½	2	25	2
Cons. Smelter	25	10	3.89	263¾	252	257	18183	183½	48½	265	177¼
C. W. Dome	1	...	...	21¾	19½	19½	136175	25	10½	29½	14
Crown Res.	1	...	...	10	8½	9¾	41100	55	15	24¼	8
Corona	1	...	...	30	22	27¾	303150	..	..	30	20
Destor	.	...	...	40	40	40	8100	..	..	40	40
Davidson	1	...	...	2	2	2	7600	..	..	3	1½
Dome Mines	None	$2.00	17.53	12.15	11.40	11.40	5925	18.00	12.90	20.00	8.00
Don Rouyn	1	...	...	50	39	49	81775	..	..	61	25
Duprat	1	...	...	35½	27	31	1273800	..	..	35½	10
Everett	1	...	...	4	3¾	3¾	3500	..	..	12¼	3¾
Goldale	1	...	...	29½	27	28	52150	37	14¾	43	24
Gold Hill	1	...	...	50	45	46	112019	..	..	73½	25
Gold Reef.	1	...	...	2	1¾	2	3500	2½	1	5	1
Gladstone	1	...	...	25	25	25	150	..	..	41	25
Hillcrest, pref.	100	7	8.75	80	80	80	5	83	78	83	79½
Hill Top	1	...	...	25	23½	24½	16400	..	..	31¾	20
Hollinger	5	26	660	19.90	19.00	19.70	3645	17.50	13.30	19.95	16.65
Indian	.	...	...	...	..	..	...	17¾	3½	14½	3¾
Int. Nickel, c.	None	$2.00	5.29	39¼	37¾	37¾	3280	48⅝	24¼	46	33
Jay Copper	1	...	...	1.08	86	1.04	51150	..	..	1.08	73
Keeley	1	24	15.68	1.55	1.50	1.53	17034	2.32	1.40	1.91	1.39
Keora Mines	1	...	...	14	12½	13	31600	15⅞	8½	22	12
Kirk. Hunt.	1	...	...	32½	26	31	185365	..	..	..	..
Kirk. Lake	1	...	...	74½	70	73	106500	92½	33	1.44	.69
Lake Shore	1	40	2.68	15.10	14.55	14.90	13435	10.00	4.51	15.10	9.60
Lakeside	1	...	...	4	3½	3½	25500	..	..	10	1⅛
Laval	1	...	...	43	29	36½	792200	..	..	44½	21
La Rose	1	...	...	17	10½	14½	97600	53	7½	38	4
Lorrain	1	...	...	2¾	2½	2¾	8000	24	7	15	2
Lorrain T. L.	1	...	...	...	..	..	...	1.34	.85	1.10	.30
Marclay	1	...	...	33½	32	33	13800	..	..	33½	30
Macassa	1	...	...	34½	31	32	31000	..	..	43	31
McKinley	1	...	...	14	12¾	14	13900	42½	14½	26	8½
McIntyre	5	20	3.90	26.45	24.70	25.25	11480	22.70	16.00	29.95	22.70
Millcrest	1	...	...	4½	4	4½	9000	..	..	21	3½
Mining Corp.	5	5	8.00	3.80	2.79	3.21	54150	3.40	2.35	4.45	2.60
Moneta.	1	...	...	12½	12½	12½	1750	..	..	18	11
Montreal Rouyn	1	...	...	23	22	23	1700	..	..	60	13
Noranda	None	...	...	24.25	22.05	23.40	58495	10.90	9.10	24.25	12.00
Newray	1	...	...	35	34	35	600	44	17	45	31
Night Hawk	1	...	...	9½	4½	8½	264100	49½	6	17	3¾
Nipissing	5	12	7.10	9.20	7.00	8.45	139820	6.80	4.60	9.20	5.00
Osisko L.	.	...	...	1.90	1.42	1.90	27550	..	..	1.90	1.05
P. L. Cobalt	1	...	...	17½	16	16½	26683	..	..	32	16
Porc. Crown	1	...	...	12	6½	9½	276000	8	2	12	4
Pioneer	1	...	...	1.10	1.06	1.07	11600	..	..	1.22	.66
Premier Gold	1	32	16.80	1.98	1.83	1.89	24350	2.58	2.19	2.75	1.83
Preston	1	...	...	6	5¼	5½	4000	12	6½	9⅞	4
N. A. Lead	.	...	...	1.70	1.63	1.68	22055	..	..	1.70	1.50
Rouyn	1	...	...	3½	3	3	41500	10	3	9	1⅞
Rouyn, Que.	1	...	...	2	2	2	1000	..	..	4½	1¼
South Keora	1	...	...	35	29	33½	78250	26	20	35	5
Stadacona	1	...	...	50	45¼	47	159050	..	..	50	40
Teck Hughes	1	10	2.00	5.25	4.82	5.01	161187	3.00	1.28	5.25	2.64
Timiskaming	1	...	...	7⅛	7⅛	7⅛	1000	30	11½	15¼	6
Thomp. Krist	1	...	...	2	1½	2	8500	..	..	3½	1
Tough Oakes	1	...	...	57	53	54	120525	61	25	65½	36
Towagamac	1	...	...	5.20	4.80	4.90	40903	..	..	5.20	3.15
Vic. Silver	1	...	...	4	3⅛	4	7500	31	5	9½	3⅛
Vickers	1	...	...	1.15	1.11	1.15	17650	20½	8	1.15	.13
Wasapika	1	...	...	...	..	..	...	..	..	3	1
West Tree	1	...	...	3	2	3	6500	..	..	3½	2
Wettlaufer	1	...	...	2	2	2	20000	17	3½	10	2
Wright Har.	1	37½	4.00	9.50	8.99	9.40	27025	7.95	4.15	9.60	7.77
Vipond	1	...	...	1.69	1.57	1.67	49074	1.04	1.01	2.02	1.49

FORECASTS BOOM IN CENTRAL REAL ESTATE, TORONTO

Observer Sees New Polish on Decadent Areas

Real estate investors who have watched closely the development of cities on this continent have come to the conclusion that, in cities of more than 600,000 population and which are still growing, there will be further booms, not in the outlying districts until quicker means of transportation than surface lines and private automobiles are developed, but in the older districts where values have been dropping for a generation or more.

An astute observer, who has surveyed the Canadian field stated his opinion the other day that Toronto is ripe for such a development in the older districts. "The city has reached the size where building activities in the outlying districts for the benefit of potential home-owners who are engaged in business in the central part of the town will be curtailed in some degree, although suburban communities which are served by the steam railroads may grow more rapidly than heretofore," he said.

"Take in Toronto, that great district bounded by College street on the north, Spadina avenue on the west, King Street on the south and Parliament street on the east. In that district are the principal office buildings, retail stores, the city hall, the courts and many other institutions of importance. But also in the district are thousands of small buildings which hardly could have been creditable when they were first built. These are now no better than slums. Also in the district, however, are hundreds of fine old homes which either still are the possession of their original owners or their descendants or which have evolved into made-over apartments, rooming houses or private hotels.

"Some other of the older cities on this continent which have reached the stage of development comparable to Toronto's have found property values in the central portion of the town, on the rim of the financial, or office building and retail district, advancing for the first time in two or three generations. Usually this development follows construction of a theatre or hotel in a theretofore seedy district. A new retail district springs up and streets of squalor or of decayed gentility have become modern thoroughfares distinguished by modern apartment buildings, with quite a number of the fine old homes, where society shone in bygone days, remaining to leaven modernity and, attracting occupants who can afford to indulge in old--fashioned spaciousness."

This man's belief that Toronto is on the verge of a revival in values in at least a portion of the territory outlined may have had its inception with the reports of hotel projects which are underway. The big, modern hotel in the American city has ceased to be merely a stopping place for travelers. It has become a real social centre for the town. So far Toronto has not adopted this habit to any degree, but it is thought that a new hotel in a logical location would bring such a change in the social habits of Toronto.

Production of Sugar is Mounting Again

From Our Own Correspondent.

MONTREAL.—Sugar refinery shareholders will be interested in the sugar statistics for the four weeks ending December 4, 1926, which show some gain in the volume of sugar manufactured during the period; the figures follow:

	Pounds 1926	1925
Four weeks	112,979,280	97,171,252
Year to date	1,079,896,593	1,109,764,081

Exports of sugar during the month of November reveal a satisfactory increase and total 22,703,000 pounds as compared with only 5,930,700 in November, 1925.

Build Floating Docks

Forward steps are being made in the plans of the Burrard Drydock Co., at North Vancouver, to build a 3,000-ton floating dock to use in conjunction with the big 20,000-ton plant they now have.

ALBERTA OIL
Daily Quotations
Ottawa Bond & Security Company, Ltd.
BOOTH BLDG. - OTTAWA

Don Rouyn Discoveries
Write for latest information
St. Lawrence Finance Corp.
14 Hospital Street Montreal

Specialists in Quebec's Mining Stocks
Send for Daily Sales Sheet of Quebec Stocks.
VICTOR RIGOT & CO.
Members Montreal Mining Exchange
55 St. Francois Xavier St., Montreal

Free Map of Quebec Gold Fields
A specially prepared map. You should have one. Send to-day.
W. H. Thorburn & Co.
LIMITED
Royal Bank Bldg., Toronto

We Solicit
inquiries from those interested in Canadian Mining Investments.
KIELY & SMITH
Members Standard Stock Exchange,
Canadian Pacific Bldg.,
Toronto, Can.

C.I. COULTER & CO.
MEMBERS STANDARD STOCK & MINING EXCHANGE
BROKERS AND FINANCIAL AGENTS
MINING STOCKS BOUGHT FOR CASH OR ON A CONSERVATIVE MARGIN
103 RICHARDSON BUILDING
319 BAY STREET TORONTO
PHONE EL-1645 OR EL 3406

Quebec Stocks
DURING recent months we have consistently forecast advancing markets for Quebec mining stocks. Profit opportunities now loom larger than ever before. Inquiries invited.
Phone Elgin 5111*
F. G. OKE & CO.
Members Standard Stock Exchange
34 KING ST. EAST - TORONTO

We Specialize in Canadian Mining
STOBIE, FORLONG & CO.
STOCKS BONDS GRAIN
HEAD OFFICE
Second Floor, Reford Building
BAY AND WELLINGTON STREETS
TORONTO, 2, ONT.
HAMILTON OSHAWA
BRANTFORD ST. CATHARINES
KITCHENER MONTREAL

Mowat & MacGillivray
STOCK BROKERS
128 Sparks St., Ottawa
*Queen 610
New York Stocks
Montreal and Toronto Stocks
Orders Executed on All Exchanges
Private Wires
Mining Stocks

REPORT HURONIAN BELT IS A STORY OF STEADY PROGRESS

Company Continues to Expand Scope of Its Operations in Canada

Huronian Belt Co., London seems more optimistic than ever in regard Canadian mining enterprises. Of course, the company has grounds for being pleased. Due to intelligent selection and efficient handling the company has wasted but little money on efforts that have not proven fruitful. To-day the company has a material interest in Vipond, Keeley, Canadian Lorrain, W. J. Nine, Gowganda and Pioneer and is also thought to hold a block of Noranda shares. Some interesting facts on these various holdings were presented to the company's London meeting and these should be helpful to shareholders in these various enterprises. The report says:

Keeley

On August 31, the report says, the Keeley Mines had liquid assets amounting to $1,385,902.

At the 1st of August last the ore reserves were provisionally estimated at 1,630,000 ozs. of silver. Since that date additional ore has been opened up, including three new shoots on the 11th level; the first of these, 67 ft. long, averaged 2,100 ozs. per ton over 6 inches; the second, 18 ft. long, averaged 2,600 ozs. over 7 inches; the third, 81 ft. long, averaged 1,285 ozs. over 6 inches; the three shoots having a combined length of 166 ft., averaging 1,800 ozs. over 6 inches. Dr. Bell reports that the mine remains in a flourishing position and that there is ample scope for exploration in various parts of the property.

Canadian Lorrain

The information given on Vipond has already been published here in Vipond's annual report.

Vipond

Dr. MacIntosh Bell's report is very full and covers much information which has already been given out here. Referring to Vipond he says:

"The total ore reserves of the mine were estimated (on July 31, 1926) at approximately 300,000 tons, of a total value of about $2,475,000. The physical condition of the mine is good. There are still large areas in which comparatively little work has been done and which are believed to present considerable promise for intensive exploration. Interesting developments may be anticipated with confidence from time to time."

"It is not possible to give any sound approximation of the ore reserves of Canadian Lorrain," says Dr. Bell, "which exist not only in the bodies of milling ore, but also in erratic, very rich shoots, the upward and downward continuations of which have not yet been determined.

"The general position can be regarded with satisfaction. The underground excavational work has shown the presence of very pronounced zones of fracturing which have preceded the mineralization. The partial exploration of one of these breaks, occupied by No. 5 vein, has already given remunerative results. Another and stronger break, 1,000 ft. further north, towards which two drifts are now being extended, should, theoretically speaking, possess even more interesting possibilities. In one of these drifts some silver has already been encountered.

W. J. Nine, Gowganda

Dr. Bell's reference to the W. J. Nine Silver Mines on Miller Lake, Gowganda, is of interest.

"The two-compartment shaft has now been sunk to a depth of 401 feet and lateral work has been commenced at the 380-ft. level, which horizon, near the shaft, is approximately 200 feet, below the keewatin-diabase contact. Although this lateral work has not yet advanced sufficiently far for remunerative results to be expected, a number of veins have been cut. Certain strong depressions which are noticeable on the surface and are believed to represent structural breaks, have not yet been reached, but even at a considerable distance from these localities, in which appreciable ore bodies may reasonably be expected, small amounts of silver have been discovered. Other favorable geological conditions have also been revealed, but at the moment it can only be repeated that W. J. 9 is generally regarded as being a promising prospect, the development of which on a serious scale holds out considerable hope for the discovery of important ore bodies."

Michipicoten

A good word is spoken for the company's Michipicoten holdings. After brief reference to the Minto and Cooper block, he says:

"The Huronian Belt Company and Pioneer Mining Corporation (jointly) have also secured recently an option for the acquisition of two claims known as the Michael northwest claims, adjoining the Minto block. On these claims, which are adjacent to a small body of water known as Jubilee Lake, a well-defined and apparently persistent mineralized zone has been well stripped for a length of 175 ft., for which distance, with some of the higher assays reduced, it shows an average value of roughly $10.00 over a width of 8 ft. 150 ft. north from the northern end of the stripping, fair values have been encountered, and extensions of the ore may be found in that direction below the heavy overburden, but at the south end of the exposure the zone is one of great strength, and while it disappears under Jubilee Lake it averages about $20.00 across a width of nearly 11 ft.

Assuming the zone continues southward—and there is every reason to believe such may be the case—its strike would carry it, at about 200 ft. further, into what is known as the Jubilee break, situated on the Minto block. This structural feature, probably the most pronounced in the whole district, is very heavily drift-covered along its course for upwards of 1,000 ft., and is consequently unsusceptible to surface prospecting. While, naturally, nothing definite may be said of the prospects below the Jubilee break, the possibilities are unquestionably great. Diamond drilling of the zone has commenced, and this will be continued southward below the Jubilee

---

FOLLOWING UP DRILL RESULTS

New York Porcupine, **south of Dome,** in Porcupine Camp, is reported to be meeting with excellent success on the 250-ft. level. The present development, in charge of H. W. Darline, is following **up important diamond drilling results met with some time ago.**

Peterson Cobalt to Drill to Locate the Contact

Peterson Cobalt is getting its incline winze from the 330-ft. level under way. It will follow in close proximity to the contact for some 800-ft. The main idea is to explore the large diabase section which has been neglected heretofore and which holds much promise. Diamond drilling, it is understood, will first be launched to make sure of the exact location of the contact between the diabase and Keewatin.

Ribago Will Drill Two Ore Zones Uncovered

Ribago Copper Corp., located in the northeast corner of Boischatel will start two diamond drills at work after the first of the year to test out the two ore zones discovered. A considerable amount of surface work was done on this property and one break opened for 300-ft. is said to be 45-ft. wide and carrys copper-zinc values. The other break parallels this to the south and what crosstrenching has been done shows a width around 35-ft.

OUTPUT OF WHITE METAL PLANTS UP

Manufacturing Value Was Less and Wages Up—Cutting the Profits

A 22 per cent. increase took place in white metal alloy production in the Dominion last year. Compared with the previous year, the figures being, 1925, $4,103,732 and 1924, $3,353,910. Dominion Bureau of Statistics, mines branch, says that while sales were higher the margin of profit to the producers was less as the value added to purchased materials by the manufacturing processes declined to $973,475, from $1,076,496, and the amount paid to employees in salaries and wages increased to $619,973 from $557,476 in the previous year.

The figures cover operations of plants engaged primarily in the manufacture of solders, babbitt metal, type metal, lead pipe, sheet, etc., phosphor tin, refined metals recovered in the treatment of scrap, collapsible tubes and similar products. There is also a small production of some of these products in other industries. Of the 22 firms reporting in this group, 9 were located in Ontario, 7 in Quebec, 3 in British Columbia, 2 in Manitoba and 1 in New Brunswick. These establishments represented a capital investment in Canada of $3,782,120 and afforded employment to an average of 529 people during each month of the year.

Production Figures

During 1925, the production of babbitt metal amounted to 4,286,973 pounds worth $1,044,059, as against 3,086,741 pounds valued at $869,007 in 1924; lead products including pipe, sheets, etc., were worth $1,137,793 as against $675,157 in the previous year; solders of all kinds amounted in value to $767,008 as comparied with $626,642 in 1924; type metal was worth $246,794 as against $278,705 in 1924; while the output of refined metals in this industry and the output of brass, bronze and other castings was considerably below the figures for 1924.

Imports of lead and its products into Canada during the year were valued at $588,304 of which the principal items were litharge worth $159,576; lead pigments, $88,053; old and scrap lead in pigs and blocks, $50,606; tea lead, $16,260; acetate and nitrate of lead $20,516; bars and sheets, $10,554; and other manufactures, $242,199. Zinc and its products imported into Canada amounted in value to $1,686,071 as against $1,656,088 in 1924; the main items shown included zinc white $923,755; zinc in blocks, pigs and chlorides, $47,450; and other manufactures $178,230. Imports of tin and its products were valued at $4,029,993 including 4.4 million pounds of tin in blocks, pigs and bars worth $2,459,830; tinware valued at $593,579; tinfoil at $222,657; bichloride of tin, and tin crystals at $726,389; collapsible tubes at $27,500; and small quantities of strip waste. Statistics on the industry follow:

	1921	1922	1923	1924	1925
Plants	19	19	20	20	22
Capital Emp.	$3,180,149	$3,213,867	$1,749,383	$3,229,833	$3,782,120
No. of employees	501	534	193	480	529
Salaries and wages	$ 682,562	$ 728,502	$ 246,528	$ 557,476	$ 619,973
Cost of materials	$1,654,642	$2,048,431	$1,556,716	$2,277,414	$3,130,257
Selling Value of Products	$2,886,415	$3,118,445	$2,181,273	$3,353,910	$4,103,732
Value added by manufacturing	$1,231,773	$1,070,014	$ 624,557	$1,076,496	$ 973,475

T.O.B. SHARES WILL BE GIVEN AS BONUS TO K. PROPRIETARY

Report of London Holding Co. Says Area East of Dyke Will be Explored

Kirkland Lake Proprietory, London, which controls Tough Oakes Burnside mine, proposes to distribute a block of 816,707 shares of Tough Oakes stock among its shareholders as a bonus. It is not known how much T.O.B. is now in the hands of the public. The London interest originally had 4,000,000 shares and the odd million were optioned to a Toronto broker. Financial News, London says:—

A scheme for placing the company's finances on a more satisfactory basis is submitted by the directors of the Kirkland Lake Proprietary (1919), Ltd., for the consideration of shareholders. The present authorized capital is £1,000,000, divided into 1,000,000 shares of £1 each, of which 816,707 have been issued.

The scheme, if passed, will have the effect of writing off 10s. per share from the 816,707 issued shares, leaving the issued capital at £408,353 10s., and £591,646 10s. in reserve. The writing off of 10s. per share is to be as to 8s. loss of capital and 2s. distribution to shareholders in the form of one share of Tough Oakes Burnside Gold Mines, Ltd., for each share held in the company. It is also proposed that the 183,293 unissued shares be sub-divided into two shares of 10s. each.

Upon the scheme receiving confirmation the capital is to be again increased to £1,000,000 by the creation of 816,707 new shares of 10s. each.

Full details of the scheme will be given to shareholders at the forthcoming meeting. The report dealing with the company's properties reads:

The company's property as at date of the last report, comprised the whole of the capital of Aladdin Cobalt, Ltd., owning the Aladdin Silver Mine at Cobalt, Canada, and over 3,800,000 shares of £1 each of Tough Oakes Burnside Gold Mines, Ltd., which company owns the Tough Oakes Burnside Gold Mine, Kirkland Lake, Ontario, consisting of ten claims with an area of 343 acres. Since that date the company has in addition acquired an interest in the Bellellen Lorrain Mines, Ltd. The Aladdin Silver Mine is let on tribute on advantageous terms, and development work is proceeding.

The mill at the Tough Oakes Burnside Gold Mine has been continuously in operation since the last report, and has won gold sufficient to cover the working expenses of the mine, including a very extensive development programme. Recent advices from the mine show most favorable results in the lowest levels of the western section, where work has been concentrated during the past few months. The eastern section, where promising indications have already been found, will now be thoroughly explored.

SMELTERS JUSTIFIED IN DELAYING STOCK SPLIT ANOTHER YEAR OR SO

(Continued from page 1)

the company has met with sufficient encouragement to warrant considerable expenditure on various groups. There are a number of these well located and if they come along as some engineers expect, Smelters will face large expenditures on development, mining plants, and ultimately a smelter as if any success is met with at all it will be in gold-copper and possibly zinc properties. The exploring of 22 000 acres of mining land is a venture that only a company such as Smelters could possibly undertake.

Smelters' recent dividend declaration makes a total for the year of $10 per share, $2 regular and $8 bonus on 507,112 shares, or $5,071,120. If 10 per cent. regular is maintained as well as the $8 bonus, shareholders will get $10.50 in 1927.

The shares of the company were on a 10 per cent. dividend basis in 1916 when the stock was split and the par value changed from $100 to $25 per share. The dividend at that rate was maintained until the last quarter of 1920, when it was passed. In 1921 and 1922 no dividend was paid, but in 1923 dividends were resumed on a 6 per cent. basis.

Corona Shares to be Listed on Standard

Corona shares are to be listed. Application has been made to the standard Exchange and the approval will likely be given this week. The shares have been traded in for a few weeks in Montreal and have been selling around 28 to 30.

Corona, which is capitalized at $3,000,000 has 1,500,000 dollar shares in the treasury. The board of directors is much the same as that of Duprat. It is understood that the company has made a deal with a brokerage house to provide the treasury with $110,000 and already $25,000 has been paid in. The program for the property calls for the Swedish electrical survey and then diamond drilling. Jos. Houston, M.E., is consulting engineer.

DRILLS HAVE CUT 38-FT. WIDE ZONE

Beardmore Group is Undergoing an Intensive Drilling Campaign

BEARDMORE, ONT. — Diamond drilling is under way on the Powers "Discovery" property of the Beardmore Mining Co. Extremely heavy snowfall and cold weather has somewhat hampered operations, although in spite of these conditions Sterling Diamond Drill Co. has been able to make quite satisfactory progress. Five holes have been drilled at a 45 degree angle toward the north to a depth of 450 feet each. The present hole is on a forty-five degree angle toward the south, and is to be put down to a depth of 500 ft.

It is reported that thirty-eight feet of quartz and mineralized schist yielding good values were found within a depth of three hundred feet.

Present test work will consist of at least 4,000 ft. of drilling, and this work is expected to do much toward proving up the Beardmore area as this is the first drilling to depth that has been done in this section.

Boischatel Dev. Meeting To Pass on Claims Sale

Boischatel Development shareholders are being notified of a meeting to pass upon the proposal to sell a block of ground near the Duprat, Rouyn, Boischatel corner to the new company Thorbeck for a consideration, said to be 1,500,000 shares of the new company. It is stated that U.S. Smelting will control the new company. This property adjoins Ribago and it is said that the sensational break discovered on the latter property runs into the Boischatel Development group.

HIGH COPPER VALUES ON VICKERS' GROUP

Company Plans Extensive Drilling Campaign in New Year

A mining operation of which little is heard but which has been making rather attractive progress is Vickers Porcupine with a property east of Coniaurum in Porcupine, another straddling the Rouyn-Boischatel boundary near Ribago, Corona and others and a third in N.W. Boischatel. It is believed that the first find of the important Rouyn-Boischatel section was on Vickers and this has since been traced onto Vickers. Drilling operations which will start after the first of the year under the direction of Chas. Spearman, M. E., will have material importance. There are two breaks on the property and excellent copper values, as high as 12 per cent. in channel samples has been taken off the main one over widths 10 to 14-ft. Douglas Mutch M.E., who recently visited the Quebec area, said of Vickers;

Recent work has now proven Vein No. 2 to have a length of 800 feet, this distance being measured from the east. The westerly end, where exposed on surface, dips under low ground, which at this time of the year is, of course, too expensive an operation to remove. However, there is still some 600 feet from the end of the vein where exposed to the westerly boundary. On the west the Ribago property has located very important ore over a wide zone. From the location of this latter ore, and from its strike, it appears that the Ribago have an extension of the Vickers ore zone, so that there is every possibility of a much greater length being opened up by further work on the Vickers' property. Having in this group some 220 acres at present only partially explored, the chances for further location of important ore are good, as the geology is entirely favorable. Permanent camp buildings are being put up and preparations are under way for extensive diamond drilling. This drilling will obtain important results.

Duprat's Electrical Survey Important

The Swedish Electrical Survey is coming into great demand in Northwestern Quebec. It is now operating on Duprat mines and as soon as it can be rushed through, will be put to work on Laval. Several other companies are waiting their turn after these.

The operation on Duprat is now without its general interest. There is a large body of Keewatin lavas up the east side of Duprat Tp. and these, where cut by diabase dykes, are considered verv favorable for the finding of copper sulphide bodies. This belt extends through Duprat onto Waite-Montgomery, in the theory and the electrical survey should give some indication of this if it is so.

PORCUPINE CROWN COMES BACK

Porcupine Crown, which has almost been off the map for some time is coming back to life and will work on some claims north of the transcontinental in N. W. Quebec. Diamond drilling is under way. As a result of the sale of its old holdings in Porcupine to Vipond the company holds about 71,000 shares of Vipond and is reported to have about $30,000 cash on hand.

ESTAB 1896
GOLD AND SILVER STOCKS
LORSCH & CO.
MEMBERS STANDARD STOCK AND MINING EXCHANGE
PHONE ELGIN [illegible]
[illegible] KING STREET WEST, TORONTO, CANADA

Why Take Chances?

Have you enough confidence in your own judgment of mines and markets to make your commitments unassisted?
Why take needless chances when merely for the sake of asking you can secure expert, dependable advice?

GIBSON'S FORTNIGHTLY MINING REVIEW
is designed and issued purposely to guide your investments into most profitable channels.
Why not sign and mail the coupon, at once, and avail yourself of this service?
It's free.

Homer L. Gibson AND COMPANY
Bank of Hamilton Bldg.
TORONTO

Gentlemen:
Please send your Mining Review to the undersigned.

Name.

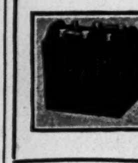
Address.

Please print name clearly.

North Western Quebec
"The Land of Opportunity"
PLANT & HAMPSON LTD.
Members Montreal Mining Exchange
Union Bank Bldg. OTTAWA

Castle Trethewey
Vipond Noranda
Bourlamaque Syndicate
MORGAN U. KEMERER
29 Melinda St. Toronto 2, Ont. Adelaide 7715
145 St. James St. Montreal, P.Q. Harbour 4935

CHAS. SPEARMAN
(B.Sc., M.A.)
CONSULTING MINING GEOLOGIST AND ENGINEER.
Examinations, reports, etc.
Exploration and mining programs.
Preliminary exploration, diamond drilling, etc.
Room 704, Power Bldg., Montreal, Que.
'Phone Main 6212.



More Pep
Storage Batteries for Cars and Radio.
Monarch Battery Mfg. Co. Ltd.
Kingston - Ont.

JAY COPPER - GOLD MINES
LIMITED
(NO PERSONAL LIABILITY)
The work on this property has proved it beyond the critical stage, Arrangements being made to ship Ore at once to the Smelter.
Write for Particulars
It is to your Advantage.
Francis J. Hunter & Co.
Limited
MEZZANINE FLOOR - MOUNT ROYAL HOTEL
MONTREAL

Lonergan Securities
is pleased to recommend purchase of shares in
Porcupine Kirkland
Lonergan Securities Limited
Union Trust Bldg. Toronto

The MARKET DESPATCH
An Authentic Financial and Stock Market Review
ARTHUR E. MOYSEY & COMPANY, LIMITED
~ STOCKS & BONDS ~
FEBRUARY 1 1926
Continued Growth of Ontario's Mine Wealth Reflected in Steadily Growing

A Message to Investors

THE MARKET DESPATCH contains latest and most authentic news as to what is transpiring on

Duprat — Laval-Quebec
Argonaut—Kirk.-Hunton

These issues are among the most active in the mining market and our information should be in the hands of those with funds for speculative commitment.

MAILED FREE UPON REQUEST
ARTHUR E. MOYSEY & CO. LIMITED
FOUNDED 1904
TELEPHONE: ELGIN 5171
Moysey Building, 242 Bay Street, Toronto

PATRICIA AIRWAYS
LIMITED
Provides
The quickest, safest and most comfortable method of travel
BETWEEN
SIOUX LOOKOUT, RED LAKE
AND THE
Chief Gold Fields in the District of Patricia
'Phone for full particulars or write
PATRICIA AIRWAYS & EXPLORATION, LIMITED
Seaplane Base: Sioux Lookout, Ont.
506 C.P.R. Building, Toronto, Ontario. 'Phone: Elgin 4598.

The Price Syndicate
invites you to consult them before investing in Alberta oil stocks. Member Calgary Stock Exchange.
212 Seventh Avenue West, Calgary, Alberta

A. W. HAWKEY & CO. LIMITED
Members Calgary Stock Exchange
Oil Stocks and Leases Bought — Sold — Quoted
We invite correspondence. Write us. Liberal Terms to Agents.
501 Leeson & Lineham Bldg., Calgary, Alta.

INTIMATE knowledge of the mining districts, together with my experience, covering 25 years' direct association with Mining Operations and Finance, is at your service.
Your enquiries are invited.
MINING STOCKS—Bought and Sold
E. S. GORDON
Mining Counsel *Elgin 3614*
705 Reford Bldg., 217 Bay St., Toronto

Our 40 years' close association with mining and mine development in Canada places at your service a reliable source of information regarding this class of investment.
ORDERS EXECUTED ON ALL EXCHANGES.
A.E. Osler & Co.
Cor. JORDAN & MELINDA STS., TORONTO
Established 1886
Phone Elgin 3461

C. H. MANATON
MINING PROPERTIES
AND STOCKS
Recommend Purchase at Market.
Noranda, Amulet, Dome,
Wright Hargreaves.
Suite 611-620
BANK OF HAMILTON BLDG.
TORONTO

We recommend
Montreal Rouyn
Louis M. Atwell & Co.
Members Montreal Mining Exchange
65 St. Francois Xavier St., Montreal

ISBELL, LOGAN CO.
Mining Investments
190 St. James St., MONTREAL
Main 3401

ONTABEC
The Outstanding Purchase of the North
F.W. DAVIS & CO.
707 BLACKBURN BLDG.
OTTAWA.

GORDON P. O'REILLY & CO.
Investment Stocks
and Securities
Room 26, 74 Sparks St., Ottawa

ALLEN & COMPANY
Investment Bankers
Government, Municipal and
Corporation Bonds.
36 King Street East
Tel. Elgin 5516

S. A. Marvin R. H. Searlett
FLEMING & MARVIN
Established 1909
Members Standard Stock and
Mining Exchange
STOCK AND INVESTMENT BROKERS
320 Bay Street, Toronto
Phones Elgin 5306-7.

D. S. PATERSON & CO.
Members Standard
Stock and Mining
Exchange
Royal Bank Building TORONTO
Phones *AD. 4747
Specialists in Canadian Mining Securities

JULIUS RICKERT & CO.
Geologists and Mining Engineers
Established 1894
67-70 UNION BANK BUILDING
Phone M9810 CALGARY, Alberta

INVEST IN BANNER OILS LTD. SHARES
All property approved for oil production.
Send for Engineer's Report.
604 MacLean Block, Calgary

For practical assistance to the manufacturer, and business man in the testing, inspection and use of all materials.
Milton Hersey Company
LIMITED
Industrial Chemists and Engineers
Montreal Winnipeg

Mining Inquiries

Barry Hollinger

What is the outlook for Barry Hollinger? Is it a good buy now?

Barry Hollinger seems to have had many ups and downs, but recent operations seem to have at last brought the venture up to the point where the management can begin to assume that its real troubles are over. We are preparing a somewhat detailed article on this mine and will publish it in a week or so. You might watch for it.

Tough Oakes

What is going to be the fate of Tough Oakes Burnside?

Tough Oakes is a producing mine that is perhaps doing a little better at present than paying expenses. The company has been carrying on an agressive hunt for new ore and if it is able to continue to make expenses there is every reason to believe that ultimately success will crown its efforts. It is a speculation. The company is capitalized at $5,000,000, all issued.

Graham Island Mining Co.

We are interested in shares of Graham Island mining. Could you tell us about it?

We have been in touch at various times with this company and have gone over their literature. However, we are too far from their operation to be able to judge its possibilities, besides this kind of a mining venture is something we know little about. We should judge that you would be better advised to get in touch with the B.C. department of mines or some other independent source in Vancouver.

Amulet

A client asks that we secure some opinions on Amulet Mine. Could you favor us?

Amulet is regarded as being quite an attractive prospect in Northwestern Quebec. The shares have featured the recent bull market and the price to-day when compared with Ontario gold operations is high. It is understood that the company has been making good progress in developing ore and it should not be long in getting production under way, once the Smelter is ready. It would seem that the question about Amulet is, how big a mine is it going to be.

International Nickel

Is the future of International Nickel one that would make the shares attractive at present levels?

International Nickel is well regarded as a purchase for a hold. The company has a large exansion program under way and this has been made possible by the development of new markets for the products of the company. The auto industry provided many new uses for nickel alloys, and other uses, such as in building locomotives, has placed the venture practically on an industrial basis and made them independent of wars as a means of income, which was the situation before the last war. The company's financial position is strong.

McIntyre

I am holding McIntyre which cost $27.50. Would you sell and buy Noranda? What are their respective prospects?

McIntyre is regarded as one of the best speculative mining investments available. It is paying 20 per cent. per year and for the present the outlook is that this will not be increased for some time. The company has a large program of development ahead which is likely to involve a new mill or enlarging the present one. The stock is regarded as having great possibilities. Ore reserves stand around $14,000,000 but it is believed that the mine is in such shape that these could easily be increased by leaps and bounds.

Noranda is a gold copper proposition that is estimated to have around $45,000,000 in proven ore. It is now building a smelter. It is bound to be a large profitable producer.

McIntyre at the present market is valued around $20,000,000 and Noranada about $40,000,000. We would hesitate to tell you to sell McIntyre to buy Noranda and still you would perhaps we better off in the end if you had some of both.

Vipond

How are Vipond shares regarded as a purchase at present levels?

Vipond looks quite attractive. In this issue you will find the report of Huronian Belt, London, which gives considerable information on the proposition. They are large shareholders. The company recently increased its capital $500,000 to acquire the adjoining Thompson-Krist and Porcupine Crown properties. Besides the maps of Porcupine show that the company owns a block of ground to the east of Coniaurum, though nothing is ever mentioned in reports about this. The company is in good hands. It is likely that the company will pay a dividend in the new year. There has been gossip of a stock dividend and others talk cf a cash. It makes little difference whether the company gives the shares to the shareholders and uses the profits from its operation to finance its development program, or sells the shares and pay over part to the shareholders in a dividend.

$5 will bring you The Financial Post for the next twelve months.

----------Use This Coupon to Subscribe----------

THE FINANCIAL POST,
143 University Avenue,
Toronto.

You may send me The Financial Post for one year (52 issues).

☐ I enclose $5.
☐ Draw on me for $5.
(Indicate method of payment.)

Name ....
Occupation ....
Address ....

Integrity and Fairness

in a Capital Structure

THE volume of requests being received for assistance in selecting mining investments strengthens the impression that "mining consciousness" is developing among large numbers of people hitherto uninfluenced by the great mining developments of the past few years.

This undoubtedly places a responsibility upon those who are regarded as leaders in the industry. But I believe that more and more are the real leaders of the mining industry of Canada becoming animated by the feeling that they are the guardians of a great heritage and that the ultimate monument to the part they play must be, not only the inevitable vast increment in national wealth, but a conviction among the people of Canada that mining is an industry with which it is an honour to be associated.

It is apparently so difficult for people to see things in perspective and few are really interested to-day in things which are fifty years away, but a long view often brings a better appreciation of what is happening now. Consider the vast wealth of the United States and then turn to our own country which with a population hardly greater than the economic zone of New York City, possesses railways, banks, steamship companies, shipping ports, which rank among the greatest of the world. It is fascinating to consider the status of say, our three largest banks, our railways, some of our industrial concerns, which have their roots deep in the economic life of this country, fifty years hence when our population may well have reached thirty millions. What will then be the value of to-day's capital investment in them?

The financial world was recently thrilled when a great American Corporation declared a stock dividend of 40%. This meant that the Company had added enormously to its wealth, but even that may well be eclipsed many times by our leaders as the country doubles and trebles its population.

But looking into the future I believe that as a producer of wealth, the greatest of all will be the mining industry and that there are mining companies to-day, some whose stocks even now are considered high, which are only in their infancy as producers of wealth.

To repeat certain basic facts—the continent of North America contains a vast shield-shaped area of one of the earth's oldest rock formations—the pre-Cambrian or Archean. Of this great area 3% lies in the United States and has produced the iron of Lake Superior and copper of Michigan on which so much of the industrial structure of the United States has been built. Canada possesses 97% of this area—a fact worth stopping to think about for a moment, and the mining industry of Ontario which has produced over $1,000,000,000, in the short space of twenty years which has overflowed into Quebec and Manitoba and opened up in both Provinces a prospect of growth and wealth which will probably change the economic outlook of both these provinces, is only the first scratching of Canada's share of the Pre-Cambrian.

And holding this fact in mind for another moment allow imagination to consider two other facts. One that metal consumption in industry in the past 25 years has been greater than in all preceding time; and the other that we are adjacent to the country which regularly consumes 47% of the world's production of metal and in which probably no considerable area remains unexplored. This presents a dazzling picture of opportunity for the Canadian nation, and for every individual Canadian who will take the trouble to really and seriously look for an opportunity to participate.

This does not mean rushing out and buying the nearest available mining stock. On the contrary, the thing to do is to avoid buying the nearest available mining stock until you have taken the trouble to study it.

Contrary to popular belief it is not difficult to study the essentials of a mining proposition. It is not always easy, of course, for the average man to follow geological reasoning, but compared with an attempt to grasp the things which make or break a bank; the problems of markets, raw materials and labour involved in a great steel industry, or industry of any kind for that matter, it is comparatively simple.

I say deliberately that the mining industry is passing the stage where a mining situation cannot be looked squarely in the face; is quite past the stage at which a man puts in a few dollars and then worries for fear his wife will find out about it. The thing I urge is that a mining proposition be looked in the face—and turned over and then looked at again—the more carefully the better.

There are two very vital things to consider. First the standing of the men associated with a mining enterprise—not those who have been paid to lend their names, but those whose money and whose knowledge and whose effort are actually in it. Secondly, the capital structure and stock distribution. The integrity and the fairness of the intention behind the enterprise can be discerned in these things, and they are vital.

There are a number of companies engaged in various branches of mining which would do honour to any industry in any country and those who are fortunate enough to become associated with them now can look forward to many years of profit.

To repeat an earlier observation, even the greatest of our mining companies are infant industries from the standpoint of years, and with the new spirit and policy of expansion, they are only at the beginning of a career of greater and greater wealth. It is difficult to overstate the possibilities for those individuals who find their way into the right companies.

It is no small task to select those stocks which represent participation in those companies which have the elements of real future greatness in them but the time and effort so spent will be richly rewarded.

Robert Harvie *President*

**Harvie Mining Exploration
Company, Limited**

Canada Cement Building
Montreal, December 22nd, 1926

Dr. Harvie recently prepared for some of his friends a few notes on the subject of mining investment. These have now been published in the form of a booklet entitled "Points for serious consideration in mining investment." A copy will be gladly sent on request.